

# Realty Trust Review

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## RELATIVE APPEAL RANKING & ADVISORY ISSUE

|                                                                            |      |
|----------------------------------------------------------------------------|------|
| Investment selection: Market Slide opens buying opportunity for REITs..... | 1    |
| No. 1-ranked stocks in three portfolio groupings.....                      | 1    |
| Stocks whose reviews contain major changes.....                            | 1    |
| Relative Appeal Ranking changes in this issue.....                         | 1    |
| Roster of major block holders and stocks with current value estimates..... | 16   |
| Relative Appeal Rankings for 124 realty trust stocks.....                  | 2-16 |

## INVESTMENT SELECTION: MARKET SLIDE OPENS BUYING OPPORTUNITY FOR REITS

While a few months ago we felt that the prices of many of the REIT stocks had appreciated to the point where they were fully valued (keeping in mind that the stock price is always going to be at a discount from the true value of the assets), this is no longer the case. Recent price declines make several of the trusts quite attractive both for appreciation potential once the market recovers

and for their current yields. Moreover, dividends often represent capital gains and returns of capital. Refer to the individual reviews of our No. 1-ranked stocks for an indication of dividend breakdown.

## PORTFOLIO GROUPINGS OF NO. 1 RANKINGS

| High income            | Hospital Mtg. (6.1%) |
|------------------------|----------------------|
| Amer. Equity (13.8%)   | Penn. REIT (10.3%)   |
| Hotel Invest. (11.1%)  |                      |
| MassMut. M&R (13.2%)   | Recovery specs.      |
| Mtg. Growth (11.7%)    | Compass Inv. (---)   |
| Pacific-So. (24.6%)    | Eastover Cp. (---)   |
| Income & LT growth     | Fidelco Grow. (---)  |
| Central Mtg. (7.3%)    | Franklin Rl. (0.7%)  |
| CleveTrust (3.7%)      | Maryland Rl. (---)   |
| ConnGen. M&R (9.8%)    | Mission Inv. (---)   |
| Federal Rlty. (8.9%)   | Moraga Cp. (---)     |
| First Union (9.5%)     | Mtg. Tr. Am. (---)   |
| Fla. Gulf. Rl. (10.2%) | Parkway Co. (---)    |
| Gen. Growth (4.5%)     | Security Cap. (---)  |
|                        | Walter Rlty. (---)   |

## MAJOR REVIEW CHANGES IN THIS ISSUE

|               |                |                 |
|---------------|----------------|-----------------|
| Amer. Cent.   | Equit. M&R     | NJB Prime       |
| Amer. Equity  | First Caro.    | N. Amer. MI     |
| Amer. Realty  | Flatley Rl.    | Pac-Sou. Mtg.   |
| API Trust     | Franklin       | PNB Mtg.        |
| ANRET Inc.    | Gen. Growth    | Prop. Tr. Amer. |
| BankAmer. Rl. | Gould Inv.     | Prop. Cap.      |
| Bay Fincl.    | GREIT Rl.      | Realty Inc.     |
| Bayswater     | Hanover Sq.    | REIT Amer.      |
| BT Mtg.       | Heitman        | B.F. Saul       |
| Builder Inv.  | Hubbard        | Sec. Cap.       |
| Cam-Brown     | ICM Rlty.      | So. Atl. Fin.   |
| Central Mtg.  | JMB Rlty.      | State Mutual    |
| CI Mtg.       | Kentucky       | Tierco          |
| Cit. Growth   | Lomas&Ntltn.   | UMET Trust      |
| CleveTrust    | Maryland       | United Rlty.    |
| CMT Inv.      | Midland        | Virginia        |
| Compass       | M.I. Wash.     | Wachovia        |
| Denver        | Mtg. Tr. Amer. | Westport        |

## RANKING CHANGES IN THIS ISSUE

BT Mortgage, No. 2N to No. 3N.  
Commonwealth Realty, No. 1 to No. 3  
Equitable Life M&R, No. 4 to No. 3

## WITH OUR SISTER SERVICE

*HOUSING & REALTY INVESTOR's April 18 issue will contain our annual review of the commingled pension funds investing in real estate. Single copy: \$10 prepaid*

KENNETH D. CAMPBELL, PRESIDENT/NANCY G. BOYLAND, SECURITIES/FAYE KREISMAN, STATISTICS/AUDIT INVESTMENT RESEARCH, INC. 230 PARK AVE., N.Y. 10017

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# Relative Appeal Rankings

Relative Appeal (RA) Rankings, shown at extreme left, give Audit Investment Research's current view of relative attractiveness of new share purchases. All trusts are ranked from No. 1 to 5 based on individual dividend and earnings outlook compared to the overall market. Non-dividend paying trusts are shown with an "N" beside their rankings. Each summary contains brief advice and comment upon the securities. Changes in rankings are indicated by UP and DOWN. Relative Appeal Rankings mean:

- 1--Highest appeal; recommended for purchase/strong hold.
- 2--Above average appeal, higher market risk.
- 3--Average appeal and market risk.
- 4--Below average appeal, higher market risk.
- 5--Least general appeal; Special problems suitable for sophisticated investors only.

NON-DIVIDEND PAYING trusts are not recommended for income investors but may have trading appeal as speculations upon quick or large price moves on asset swaps, interest or other changes.

All numbers are amounts per share except those denoted "M" or "T" for millions and thousands respectively. E or Est.=Estimates for current or next years. EPS=Earnings per share. CFS=Net cash flow per share as computed by Audit Inv. Res. GCF=Gross cash flow per share. d=deficit. FY=Fiscal year. p=Preliminary. #=Trusts evaluated on net cash flow basis. All data, rankings, and advice reviewed bimonthly. See footnotes p.16 for important information on Tax status, Taxloss carryforwards, Depreciation, Loss Reserve, Net Cash Flow. Bid prices for OTC stocks.

## 3N-AMER CENTURY MI: \$5.50 (ACT-NYSE) SHARE DATA:

2607T, Net book \$ 6.74; Deprec. \$1.57; Loss res. \$3.20; Taxloss \$10.78; ASSETS: \$70.2M, 12% nonearn + 35% lowearn. 60% foreclosed. FINANCE: \$43.7M debt is 2.5X \$17.6M equity. \$32M bank debt to 12/81 @ 10% maximum.

Assets 41% office, most Wash. D.C. area.

| EPS:  | Sept. | Dec.  | Mar. | June | Year   |
|-------|-------|-------|------|------|--------|
| FY'79 | d7c   | d17c  | d9c  | 32c  | + 1/2c |
| FY'80 | 15ca  | 1.19a |      |      |        |

a-Incl. \$1.13 sale & taxloss benefits.

Comment: Hold for recovery & improving props.

## 1 -AM EQUITY INV #: \$11.63 (AEQTS-OTC) SHARE DATA:

2497T, Net book \$ 6.71 + Deprec. \$4.14; Loss res. \$0.00; Taxloss \$0.00; ASSETS: \$52.3M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$36.8M debt is 2.2X \$16.7M equity. Debt is all mtgs.; Assets 79% properties most garden apts. w/3,273 units; 55% Tex.; other 21% mtgs. on props. sold. Earnings: 1979 \$1.99 incl. \$1.21 sale gain; \$2.20 CFS incl. gain. Comment: Buy for yield; Paid \$1.60 dividend last 12 mon., part capital gains.

(Ranked No. 1 12/7/79 at \$10.13)

## 3N-AMER FLETCHER M: \$1.75 (AFMIS-OTC) SHARE DATA:

1352T, Net book \$ 1.76; Deprec. \$0.00; Loss res. \$4.35; Taxloss \$19.77; ASSETS: \$27.4M, 70% nonearn + 10% lowearn. 57% foreclosed. FINANCE: \$16.9M debt is 8.1X \$2.1M equity. Debt all bank loans to 12/31/82 accrued @ 4% (pays 2% cash) + contingent int. @ 114% prime. Assets 71% land/develop; Most Indiana & Fla.

| EPS   | Apr. | July | Oct. | Jan.  | Year    |
|-------|------|------|------|-------|---------|
| FY'79 | 67ca | 42ca | d4ca | 1.22a | \$2.33a |
| FY'80 | d17c | d11c | 28cb | 22ca  | 0.22ab  |

a-Swaps & taxloss: \$2.37 FY'79; 9c FY'80.

b-12c Int. expnse reversed & 34c int. recov.

Comment: Hi-risk spec. on prop. sales & poss. acquisition; Robert Wilson holds 9.9%.

## 5N-AMER REALTY: \$3.00 (ARB-OTC) SHARE DATA:

2222T, Net book \$ 3.61; Deprec. \$3.97; Loss res. \$0.14; Taxloss \$1.33; ASSETS: \$35.7M, 39% nonearn + 0% lowearn. 8% foreclosed. FINANCE: \$24.0M debt is 3X \$8.0M equity. \$3.5M of 9% debs. unpaid at maturity 3/79 & indenture trustee for this & \$1.5M of 7% convts. won judgment for interest & prin. defaults; Trust seeks to restructure demand

debt & pay note maturity. Assets are 70% prop. incl. 31% hotels Wash. D.C. area & 24% raw land. Earnings: Dec. qtr. 3c.

Comment: Sophisticated spec. on restructuring to restore liquidity; Selling undeveloped Atlanta land for \$11M, or \$3.5M over book. Broker Brent Baird owns 5 1/2% & joined board. (FY Sept.)

## 2N-ANRET INC: \$6.63 (ARET-PHSE) SHARE DATA:

509T, Net book \$20.33; Deprec. \$0.33; Loss res. \$8.78; Taxloss \$20.38; ASSETS: \$22.0M, 39% nonearn + 23% lowearn. 31% foreclosed. FINANCE: \$4.9M debt is .5X \$10.3M equity. Debt is all bank @ 132% of prime. Assets: 69% Tex. & Fla.; 29% apts., 19% land.

| EPS:  | Nov. | Feb. | May  | Aug.  | Year     |
|-------|------|------|------|-------|----------|
| FY'79 | d 7c | d41c | d24c | d1.31 | d\$2.03a |
| FY'80 | d12c |      |      |       |          |

a-Adjusted for 2/5 split 10/15/79.

Comment: Long-term hold at 67% below book; NYC invstr. Lee Balter/Reed Rubin w/21.3% of sh. have board seats; Became ANRET, Inc. 10/15 & reverse split sh. 2-for-5; Likely course: Convert assets to cash & reinvest in securities for tax-free income. Must purchase \$300T second mtg. 4/14 if \$603T bank debt not paid. Balter/Rubin escrowed \$200T to apply against purchase. Trying to sell assets to pay debt.

## 3N-API TRUST: \$2.38 (APITS-OTC) SHARE DATA:

1012T, Net book \$ 8.36; Deprec. \$1.02; Loss res. \$0.91; Taxloss \$N/A; ASSETS: \$27.6M, 4% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$18.8M debt is 2.2X \$8.5M equity. Debt is \$11M mtgs., \$5M bank & \$2 1/2M convt. note held by sponsor Arlen R&D. Assets: 33% props. mostly shop ctrs.; 62% mtgs. incl. 22% or \$6.5M loans due from Arlen.

| EPS:  | June | Sept. | Dec. | Mar. | Year |
|-------|------|-------|------|------|------|
| FY'79 | 32cb | d19cb | 3cb  | 63cb | 77cb |
| FY'80 | 3ca  | 50ca  | 9ca  |      |      |

b-Incl. 50c asset sale gains & 42c reduction of reserve on Arlen loans. a-Incl. 56c gain. Comment: Spec. on selling more assets to repay bank debt now due 9/1/81; Offsetting Arlen obligations against convt. notes. First Carolina & Brent Baird own 15% & may seek to takeover mgmt; Shelbourne Assoc. own 7.9%. (Sponsor Arlen Rlty. & Devel. also restructuring)



3 -BANKAMER RLTY: \$13.50 (BRLTS-OTC) SHARE DATA: 3566T, Net book \$17.34; Deprec. \$1.24; Loss res. \$0.90; Taxloss \$0.00; ASSETS: \$170.6M, 11% nonearn + 0% lowearn. 5% foreclosed. FINANCE: \$109.8M debt is 1.8X \$61.8M equity. Debt is \$53M comcl. paper, \$2M bank short, \$20M bank term @ 117% prime; \$10M bank 8.8%. Combines land/leases & LT mtgs.: 38% shop.ctr. Non-earn includes assets paying some cash.

| EPS:  | Oct. | Jan. | Apr. | July | Year    |
|-------|------|------|------|------|---------|
| FY'79 | 32c  | 42ca | 37c  | 34ca | \$1.45a |
| FY'80 | 23c  | 31ca |      |      |         |

a-Sale gain: 22c '79; 5c '80. Div. \$1.20 ann. rate; 1979 79% cap. gain. Comment: EPS moderately vulnerable to interest rates; Closings on sale of some non-earn assets delayed by unsettled conditions in economy. Buying 6-3/4% converts in market for sinking fund.

2N-BAY FINCL CORP: \$4.75 (BAY-NYSE) SHARE DATA: 3315T, Net book \$ 6.35; Deprec. \$0.00; Loss res. \$1.88; Taxloss \$8.78; ASSETS: \$154.6M, 48% nonearn + 11% lowearn. 39% foreclosed. FINANCE: \$126.6M debt is 6X \$21.1M equity. Bank debt \$10M @ 3% due 2/81 & \$63M @ 8½% due 5/86. \$29M mtgs. on props. Assets 24% land/leasebacks; 13% under construction; 23% land; 64% completed props.

| EPS:  | Aug. | Nov. | Feb.  | May | Year |
|-------|------|------|-------|-----|------|
| FY'79 | 7cb  | 31cb | d25cb | 1cb | 12cb |
| FY'80 | d3c  | d16c | 22ca  |     |      |

a-6c swap & 19c sale gains. b-96c sales. Comment: Hold longer term for benefit of holding co.; DVM, Inc., Calif. realty co., bought 9.8% sh. & may buy more.

2N-BAYSWATER RLTY: \$8.75 (BRITS-OTC) SHARE DATA: 1043T, Net book \$18.60; Deprec. \$1.23; Loss res. \$5.73; Taxloss \$N/A; ASSETS: \$26.0M, 45% nonearn + 0% lowearn. 9% foreclosed. FINANCE: \$8.7M debt is .4X \$19.4M equity. Assets: 39% investment props., most apts.; 53% constr. loans. Offering new 10% non-converts for 6.75% conv. sub. debts.

| EPS:  | Oct.  | Jan. | Apr. | July | Year |
|-------|-------|------|------|------|------|
| FY'79 | d1c   | d50c | 35c  | 22ca | 5ca  |
| FY'80 | 2.73a |      |      |      |      |

a-Incl. sale gains: \$2.18 '79; \$3.50 '80. Comment: Hold as spec.; Chairman Carl Icahn has 46% of sh. Sold 2 props for \$2.8M cash in Jan. qtr. Plans change to non-qual. corp.

3N-BRT REALTY: \$0.75 (BRT-ASE) SHARE DATA: 1400T, Net book \$ 0.92; Deprec. \$0.51; Loss res. \$2.90; Taxloss \$2.71; ASSETS: \$15.9M, 55% nonearn + 16% lowearn. 30% foreclosed. FINANCE: \$9.5M debt is 7.4X \$1.3M equity. Debt: \$8M bank accrues @ ½% over prime to 7/81, pay 1% cash. Assets: 49% hotel; 40% mtgs., 12% investment property.

| EPS:  | Feb. | May | Aug. | Nov. | Year    |
|-------|------|-----|------|------|---------|
| FY'78 | d5c  | 26c | 31c  | d41c | d51c    |
| FY'79 | d5c  | d7c | d28c | d97c | d\$1.37 |

Comment: Speculation on recovery but higher interest hurts.

3N-BT MTG INVSTRS: \$1.50 (BTM-NYSE) SHARE DATA: 2116T, Net book \$ 1.26; Deprec. \$0.00; Loss res. \$4.81; Taxloss \$8.18; ASSETS: \$59.2M, 42% nonearn + 25% lowearn. 45% foreclosed. FINANCE: \$46.5M debt is 17.5X \$2.7M equity.

Debt: \$19M 5-3/4% debts. due 1/82 & \$24M bank to 1/14/81 @ 0% if repayments met; Assets: 55% mortgages.

| EPS:  | Dec. | Mar. | June  | Sept. | Year  |
|-------|------|------|-------|-------|-------|
| FY'79 | 22ca | 25c  | 3.79a | 11ca  | 4.37a |
| FY'80 | 9cb  |      |       |       |       |

a-Incl. 35c back inter; \$4.54 swap gains & taxloss. b-4c taxloss benefit.

Comment: Hold for merger w/Leroy Prop. & Dev. Co., Nev.; BT holders to get 20% of shs.; holder meeting by early summer.

4N-BUILDR INV GRP: \$2.50 (BULDS-OTC) SHARE DATA: 2844T, Net book \$ 1.46; Deprec. \$1.44; Loss res. \$3.39; Taxloss \$13.75; ASSETS: \$70.2M, 32% nonearn + 55% lowearn. 22% foreclosed. FINANCE: \$54.1M debt is 13X \$4.2M equity. Renego. \$32M bank @ 3% to 3/80; Swaps planned & assets pledged; Assets: Hvy condo & land. Earnings: Dec. Q 23c after 21c swap gains. Comment: Long recovery; Lincoln Mtg. pres. & sub. own 12.7%; Issued 1M wts. exercisable @ \$1.72 to settle suit.

2N-CAMERON-BROWN: \$2.88 (CB-NYSE) SHARE DATA: 2016T, Net book \$ 9.61; Deprec. \$0.88; Loss res. \$3.05; Taxloss \$5.56; ASSETS: \$47.2M, 50% nonearn + 0% lowearn. 58% foreclosed. FINANCE: \$27.8M debt is 1.4X \$19.4M equity. Debt: Tent. agree \$18½M to 12/81 @ prime + 2%, max. 15%. Pay 10% cash in '80; If repaid will issue wts. f/\$2.8M accrued inter. Assets 47% land & devel., 31% apts.; Most Fla. & Ga.; Best assets gone, limiting sales.

| EPS: | Mar. | June  | Sept. | Dec.  | Year    |
|------|------|-------|-------|-------|---------|
| 1978 | d25c | d11ca | 9ca   | 1.27a | \$1.01a |
| 1979 | 25cb | 92cb  | 1c    | 1c    | \$1.19b |

a-Incl. \$2.06 swap & 80c sale gains '78.

b-Incl. \$1.28 swap & 16c sale gains '79.

Comment: Recovery spec., hurt by higher rates on new credit agreement. Asking shareholder approval to convert to holding company.

1 -CENTRAL MTG&RLY: \$8.25 (CMRTS-OTC) SHARE DATA: 775T, Net book \$14.37; Deprec. \$0.44; Loss res. \$0.74; Taxloss \$3.37; ASSETS: \$11.2M, 19% nonearn + 0% lowearn. 23% foreclosed. FINANCE: \$0.4M debt is 0X \$11.1M equity. Using portion of \$4M bank line @ 117% prime to buy 47½% partic. mtg. loan, repay June qtr. Assets: 63% mtgs., 23% props.; Most Midwest.

| EPS:  | June | Sept. | Dec. | Mar. | Year    |
|-------|------|-------|------|------|---------|
| FY'79 | 26ca | 54ca  | 60ca | 8ca  | \$1.48a |
| FY'80 | 29cb | 23c   | 60cb |      |         |

a-Incl. 47c asset sale gains & 23c special.

b-Incl. 3c inter. recovery & 29c sale gains. Div. 60c/yr. rate. Comment: Buy/hold at 43% below book. Rejected one merger overture but still possible buyout; Peregrine Inv. Co. owns 21.2% & took two board seats 3/3/80.

(Ranked No. 1 2/8/80 at \$10.50)

5N-CHASE MAN MTG: \$0.69 (CMR-OTC) SHARE DATA: 5272T, Net book d\$ 5.19; Deprec. \$0.52; Loss res. \$3.73; Taxloss \$10.72; ASSETS: \$229.5M, 77% nonearn + 0% lowearn. 22% foreclosed. FINANCE: \$267.3M debt over d\$27.4M equity. Bankruptcy: Filed Ch. XI 2/22/79; seek creditor OK of amended plan: Exchange common & new Ser. A pfd. w/\$30.75 liquidate value, vote as common & convt. into 24½ common sh. (for



48.5M new sh.) as follows: Repay defaulted 7-7/8% sr. notes @ 90% of par + 7 pfd. sh. (Est. \$1070 value); Swap assets & issue 5.1M sh. for \$150M bank debt; Pay \$250 cash + 20 pfd. + 100 com. for all subor. debt (Est. \$840 value). Class action settlement pays 3.5M com. shs. to present holders. New voting lineup (Diluted): Sub. debt 77%; banks 7%; Sr. notes 9%; current shs. 13%. 3 of 7 trustees to be nominated by sub. debt cmte. If accepted, trust would keep 2,700-acre Palmas del Mar resort in Puerto Rico & 3 other assets w/\$50M net value (or 97¢/sh. on potential shares). Confirmation of plan requires name change & adviser contract to be terminated. Earnings: Nov. Q 29¢. Comment: Sophisticated spec. on workout; Palmas improving slowly. Approval of plan advised.

3N-CI MTG GROUP: \$6.38 (CI-PHSE) SHARE DATA: 4812T, Net book \$ 8.66; Deprec. \$0.16; Loss res. \$1.07; Taxloss \$9.14; ASSETS: \$47.9M, 45% nonearn + 0% lowearn. 14% foreclosed. FINANCE: \$1.2M debt is 0X \$41.7M equity. Assets 44% apts., mostly Northeast.  
EPS: Jan. Apr. July Oct. Year  
 FY'79 9.19a 57¢a 44¢a 65¢a \$10.85a  
 FY'80 1.17a

a-Extraordinary & sale gains: \$11.18 '79; \$1.17 '80. Comment: Spec. on reorg. as corp.; City Investing sponsor now controls some 25% of shs. Sold 3 props. 1/80 Q for 50¢/sh. gain & paid all bank debt; Realized 69¢/sh. from cancellation of interest notes.

3 -CITIZENS GROWTH: \$3.25 (CITGS-OTC) SHARE DATA: 811T, Net book \$ 8.87; Deprec. \$0.00; Loss res. \$1.84; Taxloss \$7.43; ASSETS: \$8.7M, 39% nonearn + 0% lowearn. 24% foreclosed. FINANCE: \$0.8M debt is .1X \$7.2M equity. Debt all bank. Assets 23% other REITS; also motels and land. Earnings: Oct. Q \$1.86 incl. \$1.69 sale gain and taxloss benefits. Div: Resumed w/10¢ semi-annual 4/15/80. Comment: Hold; Chrm. Brent Baird & new manager Eastover own 28.6%.

5N-CITIZENS MTG: \$0.13 (CZM-OTC) SHARE DATA: 1421T, Net book d\$13.51; Deprec. \$0.82; Loss res. \$11.14; Taxloss \$12.39; ASSETS: \$64.4M, 48% nonearn + 18% lowearn. 62% foreclosed. FINANCE: \$76.1M debt over d\$19.2M equity. Bankruptcy: Filed Ch. X 10/78 after trustee Chemical Bank called 8½% notes, in default since 10/76. Earnings: '79 9 mos. \$1.02, incl. 16¢ sale gains; '78 FY \$2.65 incl. \$4.26 loss reserve recovery. Comment: Noteholders cmte. for 8½% formed 2/79 & notes are high-risk play that former sponsor Manufacturers Hanover, NYC, pays on notes; otherwise absolute priority rule in Ch. X wipes out notes.

1 -CLEVETRUST RLTY: \$7.63 (CTRI-OTC) SHARE DATA: 2525T, Net book \$10.66; Deprec. \$2.71; Loss res. \$2.95; Taxloss \$3.64; ASSETS: \$75.4M, 42% nonearn + 2% lowearn. 29% foreclosed. FINANCE: \$40.8M debt is 1.5X \$26.9M equity. Debt is mtgs. + \$14M bank to 12/31/82 @ 7½%. Assets: 49% investment properties.

EPS/CFS: Dec. Mar. June Sept. Year  
 FY'79 2/7¢ d1/6¢ 16/27b d3/9¢ 13/49ca  
 FY'80 2/13¢

a-FY'79 5¢ taxloss. b-Nonrecur lease setlmnt: 14¢. Div. 28¢/yr. Comment: Buy/hold on price decline for long-term recovery & low interest exposure. Drexel Burnham has 9½% of shs. & 2 Los Angeles cos. have 11.1%. (Ranked No. 1 5/25/79 at \$6.50)

2N-CMT INVESTMT TR: \$1.50 (CMTIS-OTC) SHARE DATA: 2030T, Net book \$ 3.04; Deprec. \$1.34; Loss res. \$3.63; Taxloss \$18.23; ASSETS: \$87.3M, 8% nonearn + 9% lowearn. 23% foreclosed. FINANCE: \$72.1M debt is 5.8X \$12.4M equity. Debt is \$70M secured bank debt @ 8% to 12/84 from 4/78 Ch. XI settlement. Assets: 33% motel, 32% apts.; 24% refinanced props.

EPS: Mar. June Sept. Dec. Year  
 1978 d25¢ 6.12a d1.12 d30¢ \$4.45a  
 1979 11cb 13¢ d11¢ 8¢ 0.21b

a-Incl. \$4.64 bankruptcy setlmnt. gain.

b-Incl. 11¢ nonrecurring. Comment: Buy/hold for moderate long-term recovery; to become non-qualified corporation. Pfd. (2149T shs. with \$7.50 liquidate value) favored. Morgens, Waterfall, NYC, holds 9.4% of combined sh.

3 -COMMONWLTH RLTY: \$8.50 (CRTYC-OTC) SHARE DATA: 1344T, Net book \$ 5.97 + Deprec. \$3.91; Loss res. \$0.00; Taxloss \$0.00; ASSETS: \$19.9M, 6% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$12.3M debt is 1.5X \$8.0M equity. Approached re: merger; purchase of not less than 51% sh.; or raise add'l capital for trust.

1N-COMPASS INV GP: \$1.69 (CMPSS-OTC) SHARE DATA: 10600T, Net book \$ 3.81; Deprec. \$0.11; Loss res. \$0.18; Taxloss \$1.92; ASSETS: \$34.5M, 72% nonearn + 0% lowearn. 60% foreclosed. FINANCE: \$21.2M debt is 1.7X \$12.7M equity. All bank debt paid; \$9.5M of 8½% sub. debts. converted into 7M shs; \$4.3M exchanged for new 16½% sr. subor. non-convs. due '84 + \$250 cash. Assets 38% apts., 31% land.

EPS: Dec. Mar. June Sept. Year  
 FY'79 53cb d 4¢ 5cb 1¢ 16cb  
 FY'80 d4¢

b-Incl. 18¢ sale gain, 3¢ taxloss & d2¢ debt repurchase. Comment: Spec. on benefits of 3/79 takeover by John Wertin/Joe Akerman, 21.8% sh. owners. Amer. Fincl. convts. for 53.4% interest (Ranked No. 1 4/13/79 at \$1.50)

1 -CONN GENL M&R #: \$20.50 (CGM-NYSE) SHARE DATA: 5832T, Net book \$18.39 + Deprec. \$2.34; Loss res. \$0.77; Taxloss \$0.00; ASSETS: \$330.2M, 1% nonearn + 0% lowearn. 4% foreclosed. FINANCE: \$224.6M debt is 2.1X \$107.3M equity. Most debt fixed rate: \$90M term debt most @ 8.75%, plus \$54M mtgs. & \$72M convt.; Buying 6% convts. in mkt. for sinking fund. Assets: 56% props. & partnerships & expanding equities; Heavy shop. ctrs.; \$39M partnerships.

EPS/CFS: June Sept. Dec. Mar. Year  
 FY'79 30/50ca 29/52ca 29/54ca 31/61 1.19/2.10  
 FY'80 35/66cb 33/61cb 50/84ab

a-Sale gains: 19¢ '79; 8¢ '80. b-8¢ mtg. prepay + 13¢ debent. repurch. gains. Div. \$2.00



ann. rate. Comment: Buy/hold on dips for long-term equity buildup.  
(Ranked No. 1 11/11/77 at \$19.88)

3 -CONSOL CAP RLY#: \$24.50 (CCPLS-OTC) SHARE DATA:  
1989T, Net book \$16.31 + Deprec. \$9.61; Loss res. \$0.00; Taxloss \$0.00; ASSETS: \$128.4M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$95.4M debt is 2.9X \$32.4M equity. Debt is \$94M secured mtgs., rest bank. Assets: 82% apts. w/7,411 units, 16% shop. ctrs.; 51% Texas.  
EPS/CFS: Feb. May Aug. Nov. Year  
FY'79 3/56ca d7/42c d19/31c 52/1.04a 29/2.33a  
FY'80 3/56cb 2/56c d3/50c 2.08/2.73 2.10/4.35a  
a-Sale gains: 53c '79; \$1.84 '80. b-Refinanc. gain: 6c '80. Div. \$2.28 rate, pd. monthly.  
Comment: For speculative income, over book. Div. largely cap. gains & taxfree capital return. Manager now offering Con.Cap. Income Trust.

4N-CONTINENTAL MTG: \$0.25 (CMI-OTC) SHARE DATA:  
20838T, Net book d\$ 5.54; Deprec. \$0.19; Loss res. \$5.48; Taxloss \$12.96; ASSETS: \$465.9M, 58% nonearn + 28% lowearn. 47% foreclosed. FINANCE: \$561.2M debt over d\$115.5M equity. Bankruptcy: Filed Ch. XI 3/8/76 & shifted to Ch. X 5/1/79. Owes \$473M to banks, rest to subor. debt incl. \$40.4M of 6% public debts. Proxy early '80 to: transfer \$484.5M assets to banks in full satisfaction & end Ch. X; Leave CMI w/600-lot Hawaii Loa Ridge w/est. \$40M present value + Santa Cruz, Cal. motel + \$6M cash; CMI wld. then issue 48.6M new convt. pfd. sh. (70% voting power) to subor. debt. Earnings: 41c in Sep. '79 5 mos. incl. 20c tax credit. Comment: Sh. & bonds speculation on Hawaii land sales.

2 -DENVER REI ASN#: \$25.75 (DENVS-OTC) SHARE DATA:  
1101T, Net book \$ 8.66 + Deprec. \$9.01; Loss res. \$0.00; Taxloss \$0.00; ASSETS: \$52.3M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$41.7M debt is 4.4X \$9.5M equity. Debt \$37M mtgs., \$4.4M subor. debts. Assets all investment props. in the Denver area. 41% office, 30% comcl., 19% shop. ctrs.  
EPS/CFS: Mar. June Sept. Dec. Year  
1978 d5/21c 20/46c 25/51c 12/39c 52/1.57  
1979 6/32 48/74ca 21/45c 45/66c 1.20/2.17  
a-Incl. 32c sale gain. Div. \$1.40 ann. rate  
Comment: Hold/arbitrage on agreement to sell assets for \$35/sh.; exposure is unsettled mkt.

2N-DIVERSIFIED MTG: \$3.00 (DMG-NYSE) SHARE DATA:  
7326T, Net book \$ 7.87; Deprec. \$0.00; Loss res. \$3.93; Taxloss \$6.62; ASSETS: \$135.8M, 64% nonearn + 0% lowearn. 21% foreclosed. FINANCE: \$51.8M debt is .9X \$58.6M equity. \$57M debt rising to 15% '82; \$1.1M convts. Assets: 62% secondary & 14% primary homesites.  
EPS: Mar. June Sept. Dec. Year  
1978 16cb d3c d2c 6c 17cb  
1979 d33c d5c d12ca d13c d63ca  
b-25c refin. gain & 9c taxloss. a-3c sale.  
Comment: Hold; spec. on discussing mergers; Filed w/SEC to become holding co.; High interest limits land sale potential; MEI Cp. owns 7.4% & Pacific Holding Corp. 5.25%.

3N-DOMINION M&R: \$1.38 (DMRTS-OTC) SHARE DATA:  
3314T, Net book \$ 0.58; Deprec. \$0.82; Loss res. \$0.48; Taxloss \$3.14; ASSETS: \$29.0M, 21% nonearn + 0% lowearn. 73% foreclosed. FINANCE: \$32.2M debt is 16.8X \$1.9M equity. Bankruptcy: Court affirmed Ch. XI plan 11/16/79; bondholders get 79% of shares. Earnings: Nov. Q \$3.52 incl. \$2.85 ext. of debt gain. Comment: High-risk spec.

1N-EASTOVER CORP: \$10.75 (EASTS-OTC) SHARE DATA:  
1034T, Net book \$16.99; Deprec. \$0.00; Loss res. \$1.48; Taxloss \$5.33; ASSETS: \$20.7M, 71% nonearn + 2% lowearn. 35% foreclosed. FINANCE: \$3.0M debt is .2X \$16.7M equity. Debt is 71% fixed-rate mtgs., rest bank. Assets 33% mtg. (51% land) being liquidated & 32% REIT stocks (28.9% Parkway Co., 26% ICM Rlty., 29% Citizens Gro w/Brent Baird)  
EPS: Mar. June Sept. Dec. Year  
1978 d6c 46ca 53ca 57c \$1.51a  
1979 45cb 34cb 2.96b 80cb 4.53b  
a-1978 incl. 78c loss resv. credits, 50c asset sales & 76c taxloss. b-1979 incl. \$2.01 taxloss, 32c sale & 2.18 legal gains. Comment: Spec. on workout, merger deals in evolving role as speciality investment co. under new mgmt. Jackson, MS broker L. Speed owns 10% of sh., Trustee Brent Baird 6 1/2%.  
(Ranked No. 1 4/13/79 at \$9.00)

3 -EQUIT LF MTG&RL: \$11.75 (EQ-NYSE) SHARE DATA:  
5663T, Net book \$23.21; Deprec. \$0.32; Loss res. \$0.23; Taxloss \$0.00; ASSETS: \$394.9M, 9% nonearn + 0% lowearn. 4% foreclosed. FINANCE: \$258.4M debt is 2X \$131.4M equity. Debt is \$206M short-term tied to prime & incl. \$114M comcl. paper; \$50M float-rate notes 1% over mkt. yields due '87; Notes could convert into 9% debentures before 9/1/86. Assets: 57% short-term mtgs., 30% long-term mtgs., 9% invest. prop.; 32% floats w/prime.  
EPS: Jan. Apr. July Oct. Year  
FY'79 48c 50c 52cr 36c \$1.87  
FY'80 40c

r-restated. Div.: Cut to \$1.40/yr. Comment: Div. cut opens buying opportunity as spec. on price bottoming out. Trying to stimulate bldg. by making mtgs. in land devel. invests.

1 -FEDERAL REALTY#: \$17.50 (FRT-ASE) SHARE DATA:  
1434T, Net book \$ 9.40 + Deprec. \$4.48; Loss res. \$0.00; Taxloss \$0.00; ASSETS: \$37.5M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$23.1M debt is 1.7X \$13.5M equity. Debt is 85% mtgs., 15% bank loans. Will borrow \$2M for Amterre deal. Assets: 99% props. w/cash flow: 74% shop. ctrs., 25% apts.; most Wash., DC area but diversifying in southeast.  
EPS/CFS Mar. June Sept. Dec. Year  
1978 35/39ca 29/31c 19/25c 32/42c \$1.14/1.37  
1979 24/31c 18/25c 13/20c 30/  
a-Prop. sale gain 6c. Div. \$1.56 ann rate. Part '79 payout may be taxfree capital return. Comment: Buy/hold f/income & growth from prop. mgmt. & purchases; Plans buying 6 shop. ctrs. from Amterre; agreed on 345T sf Phila. ctr. 6/79. High operating return on property.  
(Ranked No. 1 12/8/78 at \$16.50)



## 1N-FIDELCO GROWTH: \$4.75 (FGI-ASE) SHARE DATA:

1580T, Net book \$ 9.15; Deprec. \$0.00; Loss res. \$4.37; Taxloss \$4.37; ASSETS: \$46.8M, 73% nonearn + 0% lowearn. 73% foreclosed. FINANCE: \$29.2M debt is 2X \$14.5M equity. \$24.8M bank debt most due to Fidelcor Inc. sub; Swapping. Assets: 52% land, 17% apts; 38% PA, 38% FL.

| EPS:  | Feb. | May   | Aug.   | Nov.  | Year   |
|-------|------|-------|--------|-------|--------|
| FY'78 | 76ca | 19ca  | 1.59a  | 1.11a | 3.65a  |
| FY'79 | 40cb | 1.22b | 1.82bc | d56cb | 2.88bc |

a-Swap gains & int. forgive: \$3.70. b-Swap gain & taxloss \$2.39. c-\$2.05 class action settlement gain. Comment: Buy for recovery; Phila. insur. man Sidney Baer et al. now own 23%, again trying for control. (Ranked No. 1 4/13/79 at \$4.50)

## 2N-FIRST CARO INV: \$5.38 (FCARS-OTC) SHARE DATA:

1510T, Net book \$14.59; Deprec. \$0.06; Loss res. \$0.77; Taxloss \$1.49; ASSETS: \$27.8M, 47% nonearn + 0% lowearn. 31% foreclosed. FINANCE: \$4.9M debt is .2X \$22.0M equity. \$2M bank debt ½ over prime. Assets: 56% medium & long mtgs.; 50% NC.

| EPS: | Mar. | June  | Sept.  | Dec. | Year  |
|------|------|-------|--------|------|-------|
| 1978 | 8c   | 4c    | 12ca   | 9ca  | 33ca  |
| 1979 | 15ca | 13cba | d28cac | 16ca | 16cab |

a-Incl. taxloss: 17c '78; 8c '79. b-Incl. 3c sale gain. c-Incl. 54c loss prov. on La. hotel. Comment: Recovery and/or liquidation spec. Broker Brent Baird & Eastover own 19%. Seeks tax-loss use. Holds 15% of API, may seek control. Bought 631 acres for planned residential community over 6½ yrs.

## 3 -FIRST CONTNL RE: \$6.25 (FCRES-OTC) SHARE DATA:

2106T, Net book \$10.51; Deprec. \$0.00; Loss res. \$0.36; Taxloss \$0.00; ASSETS: \$38.9M, 3% nonearn + 0% lowearn. 2% foreclosed. FINANCE: \$17.2M debt is .8X \$22.1M equity. \$17M bank under \$33.5M lines @ ½ over prime + compens. bal; 1% prime=½c/sh. qtr. Must pledge assets equal to debt if demanded. Assets: 68% constr., 23% devel.; 80% Texas.

| EPS:  | May | Aug. | Nov. | Feb. | Year   |
|-------|-----|------|------|------|--------|
| FY'79 | 25c | 26c  | 27c  | 31c  | \$1.09 |
| FY'80 | 36c | 32c  | 34c  |      |        |

Div: \$1.12 ann. rate. Comment: Hold for spec. income; High interest rates hurt EPS.

## 2N-FIRST DENVR MTG: \$1.63 (FDENS-OTC) SHARE DATA:

1621T, Net book \$ 5.48; Deprec. \$0.26; Loss res. \$3.56; Taxloss \$10.02; ASSETS: \$41.2M, 28% nonearn + 0% lowearn. 27% foreclosed. FINANCE: \$26.9M debt is 3X \$8.9M equity. \$27M bank debt to 5/81 at 6½%; Assets pledged. Assets: 15% land, 15% condo-secondary home, 9% condo-primary, 24% motels. Most Colorado.

| EPS:  | Dec. | Mar. | June | Sept.  | Year     |
|-------|------|------|------|--------|----------|
| FY'79 | d10c | 54ca | 7ca  | d2.07a | d\$1.56a |
| FY'80 | 3cb  |      |      |        |          |

a-Asset swap & taxloss; d76c '79. b-Taxloss: 1c. Comment: Merger/recovery spec. at 70% below book. Drexel-Burnham has 7%.

## 2N-FIRST MEMPH RLT: \$4.00 (FMEMS-OTC) SHARE DATA:

1156T, Net book \$ 6.29; Deprec. \$1.74; Loss res. \$1.75; Taxloss \$6.02; ASSETS: \$17.3M, 24% nonearn + 3% lowearn. 45% foreclosed. FINANCE: \$7.4M debt is 1X \$7.3M equity.

All S/T bank debt retired by swaps.

Assets(11/78): 35% land, 28% off.; 38% Tenn.

| EPS:  | Feb.  | May   | Aug.  | Nov.  | Year     |
|-------|-------|-------|-------|-------|----------|
| FY'78 | 70ca  | 18cab | 55cab | 1.04a | \$2.47ab |
| FY'79 | 1.14a | 23cc  | d1.26 |       |          |

a-Swap gain: \$1.38 FY'78; 49c '79. b-Prop. sale gain: \$1.79. c-Taxloss: d30c. Comment: Spec. on new self-adm. at 36% below book val. To concentrate on devel. & mgmt. of R.E., will change name. Court judgment cost \$1.52 in Aug. Q; Morgens-Waterfall has 16.4%; Drexel-Burnham 5.7%.

## 2N-FIRST MTG INVST: \$1.06 (FMTGS-OTC) SHARE DATA:

8495T, Net book d\$ 3.35; Deprec. \$0.42; Loss res. \$1.96; Taxloss \$10.93; ASSETS: \$177.8M, 19% nonearn + 32% lowearn. 36% foreclosed. FINANCE: \$128.5M debt over d\$28.5M equity. \$90M bank credit @ 2%; To sell \$50M 13% secured notes & wts. at \$1.06/sh. for 8M shs. to repay \$65M debt by 7/80. Banks to forgive \$48M principal & to convert Ser. A pfd. into 1933T com. sh. & get 2335 wts. exer. @ \$1 + 50% hotel/land sale gains over 5 years. Earn: Oct. Q 33c after 10c taxloss benefit.

Comment: Spec. on potential benefits of \$4.50/sh. principal reduction from refinancing in 7/80; High dilution potential. Will issue 1M wts. to buy sh. @ 59c to 12/86 to settle lawsuit.

## 2N-FIRST NEWPT CP: \$1.50 (FNEW-OTC) SHARE DATA:

2342T, Net book \$ 3.04; Deprec. \$1.16; Loss res. \$7.51; Taxloss \$26.05; ASSETS: \$78.1M, 22% nonearn + 6% lowearn. 42% foreclosed. FINANCE: \$53.2M debt is 7.5X \$7.1M equity. \$50M bank credit @ 5% to 10/80; extends to 10/81 if \$34M repaid. Assets: 38% condos, 27% lodgings; 37% Texas.

| EPS:  | Jan. | Apr. | July | Oct.  | Year  |
|-------|------|------|------|-------|-------|
| FY'79 | 34ca | 10ca | 15ca | d59ca | 0.00a |
| FY'80 | d3c  |      |      |       |       |

a-Incl. 84c sale gain. Comment: Long recovery, making progress. \$4M damages decision to be appealed; could cut \$1.67 from book value (RTR 9/21). Deltec Pan. buys 7.2%.

## 4N-FIRST PENN MTG: \$1.13 (FPM-NYSE) SHARE DATA:

2961T, Net book \$ 0.62; Deprec. \$0.53; Loss res. \$5.03; Taxloss \$12.32; ASSETS: \$79.6M, 76% nonearn + 0% lowearn. 69% foreclosed. FINANCE: \$58.4M debt is 19.8X \$2.9M equity. \$42M bank debt @ 3% to 11/80. Assets: 42% comcl/indus., 10% land, 18% condo.

| EPS:  | Oct.  | Jan.  | Apr. | July | Year |
|-------|-------|-------|------|------|------|
| FY'79 | 1.17a | d87ca | d30c | d9c  | d9ca |
| FY'80 | d27c  | d37ca |      |      |      |

a-Incl. swap gain: \$2.59 '79, 18c '80.

Comment: Trading spec.; hi contingent interest

## 1 -FIRST UNION RE#: \$13.50 (FUR-NYSE) SHARE DATA:

6167T, Net book \$ 9.81 + Deprec. \$6.32; Loss res. \$0.00; Taxloss \$0.00; ASSETS: \$220.6M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$164.4M debt is 3.2X \$50.7M equity. Debt is 67% secured mtgs. 9/79 sold \$35M 8-3/4 8-3/4 converts. Assets: 96% property. Props: 54% offices, 37% shopping centers.

| EPS/CFS | Mar.   | June   | Sept.  | Dec.   | Year         |
|---------|--------|--------|--------|--------|--------------|
| FY'78   | 21/29a | 23/30a | 45/52a | 21/31  | \$1.10/1.42* |
| 1979    | 20/48b | 27/32  | 21/31  | 43/47a | 1.25/1.72a   |



a-Sale gain 30¢ '78; 15¢ '79. b-10¢ litigation gain. \*Oct. yr.; changed to Dec. yr.  
Div: Raised to \$1.28 ann. rate 12/79. Comment: Buy for quality income; Bought Calif. mall for \$1.6M cash & leasehold interest in off. bldg.; plans leveraged purchase of 2nd mall. Unicorp Fincl. (Can.) owns 5.1% & will increase to 10%. (Ranked No. 1 3/23/79 at \$12.25)

3N-FIRST VIR REIT: \$2.13 (FVM-OTC) SHARE DATA:  
 1208T, Net book \$ 8.61; Deprec. \$0.00; Loss res. \$4.71; Taxloss \$11.01; ASSETS: \$33.7M, 46% nonearn + 4% lowearn. 49% foreclosed. FINANCE: \$20.0M debt is 1.9X \$10.4M equity. Debt all subor. due 11/1/80. Assets: 28% land, 37% VA.

| EPS:  | Sept. | Dec. | Mar. | June | Year  |
|-------|-------|------|------|------|-------|
| FY'79 | 47cb  | 26cb | 29cb | 50cb | 1.52b |
| FY'80 | 51ca  | 14ca |      |      |       |

a-Incl. 32¢ taxloss + 2¢ swap gain.

b-25¢ asset sales & 74¢ taxloss FY'79.

Comment: Spec. on poss. merger; Will probably issue new debt for debts in Nov. Warrants extended to 6/30/80.

3N-FIRST WISC MTG: \$5.88 (FWMTS-OTC) SHARE DATA:  
 1988T, Net book \$ 5.46; Deprec. \$1.75; Loss res. \$4.54; Taxloss \$14.72; ASSETS: \$79.2M, 39% nonearn + 41% lowearn. 56% foreclosed. FINANCE: \$60.1M debt is 5.6X \$10.8M equity. Bank debt at 1% to 6/80; cut to \$15.5M 12/79. \$16M secured standing loans by banks on prop. Assets: 48% apts., 29% land, 25% Midwest.

| EPS: | Mar. | June | Sept. | Dec. | Year  |
|------|------|------|-------|------|-------|
| 1978 | 0c   | 0c   | d20c  | 4c   | d16ca |
| 1979 | 0c   | 2c   | 0c    | 3c   | 5c    |

a-Incl. 71¢ gain on sale. Comment: For long recovery, some dilution. Lowell McNeill owns 6.1%; Sheldon Lubar et al 10.1%.

2 -FLATLEY RL INV#: \$4.50 (FLTLS-OTC) SHARE DATA:  
 1000T, Net book \$ 7.36 + Deprec. \$2.94; Loss res. \$0.00; Taxloss \$0.06; ASSETS: \$25.5M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$18.7M debt is 2.5X \$7.4M equity. Debt is 82% mtgs. \$3½M Bank @ 115% prime + 10% compen. bal. Assets: 94% prop., 6% mtg. 34% apts, 57% shop. ctrs; 81% Mass.

| EPS/CFS | Sept.  | Dec.      | Mar.  | June   | Year    |
|---------|--------|-----------|-------|--------|---------|
| FY'79   | 10/15c | 10/16c    | 4/10c | 17/20c | 41/61ca |
| FY'80   | 11/18c | 30/d1.30b |       |        |         |

a-Incl. 7¢ RE tax refund '79. b-Incl. 24¢ mtg. refin. gain. Div: Paid 30¢ 9/79 from FY'79. Comment: Buy for recovery. David Wolf & Robt. Blatt buy 9.1%.

1 -FLORIDA GLF RL#: \$13.75 (FGLFS-OTC) SHARE DATA:  
 997T, Net book \$13.84 + Deprec. \$6.90; Loss res. \$0.00; Taxloss \$0.00; ASSETS: \$31.5M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$18.3M debt is 1.3X \$13.8M equity. \$18M mtg. debt on props. Assets: Over 93% strip ctrs. w/2M sf; 92% FL. Neisner Bros. & Food Fair disaffirmed leases for abt. 166T sf or about 8% of space; Some re-leased. Selling idle center for \$1M.

| EPS/CFS | July   | Oct.   | Jan.   | Apr.   | Year      |
|---------|--------|--------|--------|--------|-----------|
| FY'79   | 20/37a | 16/35c | 16/35c | 17/35c | 69c/1.43a |
| FY'80   | 23/41a | 23/42c | 23/41c |        |           |

a-Incl. prop. sale gain: 2¢ '79; 2¢ '80.

Div: Upped to 35¢/qtr., Part tax-free cap. re-

turn. Comment: Buy for yield & benefits of renting vacated stores; EPS up on overage rents. Negotiating to sell several properties. (Ranked No. 1 12/8/78 at \$12.50)

1 -FRANKLIN RLTY: \$17.00 (FR-ASE) SHARE DATA:  
 1008T, Net book \$ 9.01; Deprec. \$11.89; Loss res. \$0.00; Taxloss \$1.73; ASSETS: \$29.2M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$23.7M debt is 2.6X \$9.0M equity. Debt is 69% secured, 10% short, 21% convt. Assets: 81% prop. owned, 19% joint venture. EPS: Sept. Dec. Mar. June Year  
 FY'79 1c 20ca 5ca 14ca 40ca  
 FY'80 d1c 63ca

a-Incl. 1¢ sale gains & 17¢ taxloss '79, 27¢ taxloss '80. Div: paid 6¢ 2/80. Comment: Buy as takeover spec. w/rumored \$25/sh. break-up value; Drexel Burnham studying disposal of RE assets; would retain RE services ops. (75% of net in Dec. Q). Landauer appraising. Benjamin Elec. Eng. (16.5% owner), Whitman group (12.2%) & Plessert family group (3.3%) now acting as group, may seek control, restructuring; Collins Diboll owns 5.5%, Carter Org. (new position) owns 5.5%. (Ranked No. 1 12/7/79 at \$10.25)

4 -FRASER MTG: \$7.75 (FRASS-OTC) SHARE DATA:  
 1038T, Net book \$16.57; Deprec. \$0.00; Loss res. \$0.53; Taxloss \$0.00; ASSETS: \$44.4M, 5% nonearn + 0% lowearn. 5% foreclosed. FINANCE: \$33.8M debt is 2X \$17.2M equity. Debt: \$21M bank; \$13M fixed rate. 1% prime= 4¢/sh. qtr. Assets: 37% long term; 31% Ohio, 25% Florida. Making new investments.

| EPS:  | Aug. | Nov. | Feb. | May | Year    |
|-------|------|------|------|-----|---------|
| FY'79 | 27c  | 27c  | 27ca | 24c | \$1.05a |
| FY'80 | 27c  | 28c  | 26c  |     |         |

a-Incl. sale gain: 9¢ '79. Div: Reduced 4/80 to \$1.04 ann. rate. Comment: EPS vulnerable but hold for recovery; Fraser Mtg. has 18.6%.

1 -GENERAL GROWTH#: \$35.38 (GGP-NYSE) SHARE DATA:  
 6202T, Net book \$ 6.14 + Deprec. \$5.69; Loss res. \$0.00; Taxloss \$0.00; ASSETS: \$436.7M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$377.6M debt is 9.9X \$38.1M equity. Debt is 89% secured notes & mtgs. Assets: High quality; 83% shop. ctrs., 10% apts. EPS/CFS Dec. Mar. June Sept. Year  
 FY'79 38/50a 28/41a 30/45a 37/50ab 1.33/1.86ab  
 FY'80 35/51a

a-Sale gains: 12¢ '79, 1¢ '80. b-Incl. d13¢ merger exp. Div: \$1.60/yr., abt. 60% taxfree; paying \$15 cap. gains on s.c. sale 5/80. Comment: Buy/hold on possible final \$45+/sh. breakup some 2-3 years away. Bucksbaum trusts have total 24% interest. (Ranked No. 1 11/21/79 at \$35.38)

2N-GMR PROPERTIES: \$1.88 (GMR-NYSE) SHARE DATA:  
 2957T, Net book \$ 2.56; Deprec. \$0.37; Loss res. \$4.00; Taxloss \$9.89; ASSETS: \$60.7M, 24% nonearn + 23% lowearn. 45% foreclosed. FINANCE: \$39.7M debt is 5.2X \$7.6M equity. \$19M bank debt to 7/17/83 at 6.75% to 7/80, higher after; Paid \$2.8M 7.7% debts. 2/1/80. \$15.3M 8½% due 12/87. Assets: 38% LT mtgs. EPS: May Aug. Nov. Feb. Year  
 FY'79 d12c d0ca d14ca d20ca d47ca  
 FY'80 d3cb d3cb 17cb



a-42¢ asset swap gain & 33¢ tender expen.  
b-6¢ debt repurchase gain + 24¢ loss res. recovery. Comment: Spec. on merger, recovery. Deltec Panamer. owns 6.9%.

2 -GOULD INVESTOR#: \$12.25 (GTR-ASE) SHARE DATA:  
1173T, Net book \$ 9.90 + Deprec. \$10.99; Loss res. \$0.31; Taxloss \$0.00; ASSETS: \$42.3M, 1% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$33.9M debt is 2.9X \$11.6M equity. Debt is 86% secured mtgs. Assets: 86% prop. owned; 19% NYC office.  
EPS/CFS Dec. Mar. June Sept. Year  
FY'79 50/56a 29/34 68/71a 15/24a 1.62/1.85a  
FY'80 2.14/2.21a  
a-Incl. prop. sale gains: 63¢ in FY'79, \$1.91 in FY'80. Div. \$1.28/yr. Comment: Spec. income; Plaza combination off but Gould raises stake to 9.4%; Bought Fla. & N.Y. off. bldgs. for \$2.5M

2N-GREAT AMER M&I: \$2.38 (GAMI-OTC) SHARE DATA:  
7372T, Net book \$ 0.37; Deprec. \$0.51; Loss res. \$3.00; Taxloss \$11.39; ASSETS: \$227.7M, 34% nonearn + 44% lowearn. 29% foreclosed. FINANCE: \$202.0M debt is 88.3X \$2.3M equity. Face amt. of debt incl. \$171M bank debt @ 3% to 8/87; \$15M 3% sr. subor. debts. due 8/90; & \$6.2M of 1.1-3% jr. sub. debts. due 8/91. \$1.8M tender for \$3.8M face of jr. debts. over-subscribed, pro rata acceptance. Debt discounted by \$46M which amount is added to net worth. Assets: 44% core props.; 29% props. for sale; 26% mtgs. Earnings: Jan. Q 6¢ after 19¢ sale gain & charges for debt discount amortization. Comment: Sophisticated high-leverage play on Sunbelt realty under Ch. XI plan. Morgens/Waterfall own 14%.

2 -GREIT REALTY: \$10.00 (GRT-ASE) SHARE DATA:  
998T, Net book \$ 9.43; Deprec. \$16.12; Loss res. \$2.28; Taxloss \$0.00; ASSETS: \$30.8M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$22.5M debt is 2.4X \$9.4M equity. Debt is 96% mtgs. Assets: 55% shop. ctrs.; 34% offices & urban stores. Several vacancies.  
EPS: Jan. Apr. July Oct. Year  
FY'79 17¢a 9¢ 18¢ d2.01 d1.57b  
FY'80 17¢

a-Incl. 1¢ sale gain FY'79. b-\$2.20 loss prov. Div. 40¢/yr., 10¢ Jan. '80 from 1977. Comment: Hold; selling Miami ctr. to off-shore investors for \$7.5M mtgs. & \$1.5M cash; to reverse \$1.50/sh. loss prov. Unicorp Fin. (Can.) owns 23% & Geo. Mann joined bd.

2N-GROWTH REALTY: \$4.13 (GRW-NYSE) SHARE DATA:  
2059T, Net book \$ 7.47; Deprec. \$0.21; Loss res. \$2.43; Taxloss \$13.50; ASSETS: \$86.3M, 11% nonearn + 27% lowearn. 34% foreclosed. FINANCE: \$64.1M debt is 4.2X \$15.4M equity. \$41M bank to 12/81 w/int. accrued to 9% max.; Assets 41% apts., 21% shop. ctrs.; 42% Tex.  
EPS: Sept. Dec. Mar. June Year  
FY'79 d39¢ d25¢ d62¢ + 3¢ d1.23  
FY'80 d13¢a 71¢a

a-Incl. \$1.40 swap gains. Comment: Improved spec.; banks will take up to 352T shs. for \$3.8M to \$6.0M accrued int. if \$38.5M debt paid by 6/80; pfd. auth. for acqs. & plans

nat'l rltty. & mtg. brokerage; Review appraisers affirm est. \$6.80/sh. unrealized appreciation over net book at 6/79.

3N-GUARDIAN MTG: \$0.50 (GMI-PHSE) SHARE DATA:  
19010T, Net book d\$ 0.22; Deprec. \$0.00; Loss res. \$1.11; Taxloss \$5.68; ASSETS: \$170.4M, 40% nonearn + 15% lowearn. 40% foreclosed. FINANCE: \$237.9M debt over d\$4.3M equity. Debt \$204M bank, \$34M debts. Assets: 22% mtgs, 30% transferred assets. Earnings: Nov. qtr. 64¢ after 31¢ tax benefits. Comment: LT recovery on Ch. XI plan approval; Plan leaves neg. book value & thus not exciting. Ch. XI Plan: Court confirmed plan to: Repay \$90M bank debt w/ cash, mtgs., & other assets & \$114M w/o int. thru 2/90 sub. to \$16M credit from early payments + sh. for 42% of equity; sub debt: 7½s, \$310 cash + 254 sh.; 6.75s & 8s, \$220 cash + 188 sh. (giving sub. debt 42% & current shs. 16% of equity). (FY Feb.)

3N-HAMILTON INV TR: \$3.00 (HAMTS-OTC) SHARE DATA:  
2175T, Net book \$ 4.98; Deprec. \$0.00; Loss res. \$5.43; Taxloss \$3.20; ASSETS: \$60.6M, 21% nonearn + 0% lowearn. 27% foreclosed. FINANCE: \$36.3M debt is 3.2X \$11.5M equity. \$30M bank credit to 6/81 at 10%; pay 2% cash + \$6M int. notes. Assets: 47% apts., 17% condo, 16% off. bldg., 16% land, 39% Okla.  
EPS: Mar. June Sept. Dec. Year  
1978 d8¢ d8¢ 40¢b d14¢ 10¢b  
1979 29¢a d13¢a d8¢a d29¢ d22¢a  
a-37¢ sale gain; 29¢ int. recovery & 22¢ swap gain '79. b-Swap gains 82¢ & 11¢ sale '78. Comment: Recovery spec. Samuel Zell & Robert Lurie buy 5%.

3N-HANOVER SQ RLTY: \$5.00 (HSQ-ASE) SHARE DATA:  
946T, Net book \$11.42; Deprec. \$0.09; Loss res. \$1.24; Taxloss \$5.71; ASSETS: \$25.6M, 9% nonearn + 14% lowearn. 14% foreclosed. FINANCE: \$13.4M debt is 1.2X \$10.8M equity. \$8.9M bank credit at 124% prime. Assets: 64% resid., 16% shop. ctrs. To sell mortgages and repay bank debt.  
EPS: Nov. Feb. May Aug. Year  
FY'79 d3¢ d7¢ d3¢ 6¢ d7¢  
FY'80 13¢a 5¢a

a-Incl. 24¢ sale gain. Comment: Buy/hold; Will repay bank debt soonest, entertain other offers. Ending REIT status, may acquire adviser. Cooper Labs has 32% of shs.

3N-HEITMAN MTG INV: \$1.50 (HTM-ASE) SHARE DATA:  
3292T, Net book \$ 1.74; Deprec. \$0.00; Loss res. \$4.09; Taxloss \$3.65; ASSETS: \$51.7M, 48% nonearn + 43% lowearn. 36% foreclosed. FINANCE: \$34.3M debt is 7.3X \$4.7M equity. Assets 34% shop. ctrs., 23% hotels, 15% off-ices, 23% land; 30% Ill., 16% Cal., 23% Canada.  
EPS: Mar. June Sept. Dec. Year  
1978 1¢ d28¢ d27¢ d36¢ d91¢a  
1979 d5¢ba d18¢a 3¢a 32¢ 11¢ab

a-Incl. sale gains: 5¢ '78; d23¢ '79.

b-8¢ swap gains. Comment: Swapped/sold assets to cut bank debt to \$15M; seeking hldr. approval of direct equity investments, then will acquire Indiana ctr. for 1.2M shs. & assume



\$1.5M mtg. Converts: Higher risk hold.

2N-HOMAC-BARNES: \$1.13 (HOMC-OTC) SHARE DATA:

1910T, Net book \$ 8.85; Deprec. \$0.00; Loss res. \$1.70; Taxloss \$8.31; ASSETS: \$72.4M, 80% nonearn + 0% lowearn. 47% foreclosed. FINANCE: \$50.8M debt is 2.9X \$17.2M equity. Debt at max 12% to 3/80; New credit pact for-gives 2% if some principal prepaid; Got \$8M const. loans. Assets 44% condo, 32% land/de-vel.; 41% Fla., 37% Puerto Rico.

| EPS:  | Dec.  | Mar.  | June  | Sept. | Year   |
|-------|-------|-------|-------|-------|--------|
| FY'79 | d50cb | d52cb | d23cb | 8c    | d1.22b |
| FY'80 | d25ca |       |       |       |        |

a-1c swap gain. b-86c sale gain & 2c taxloss.

Comment: Improving recovery spec. as condo sale pickup cuts losses.

1 -HOSPITAL MTG #: \$9.88 (HMG-ASE) SHARE DATA:

1178T, Net book \$22.46 + Deprec. \$0.95; Loss res. \$0.14; Taxloss \$0.00; ASSETS: \$36.0M, 33% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$12.1M debt is .5X \$26.6M equity. Bank debt \$4.4M term loan at 1½% over prime. Assets 36% medical, 24% land, 25% apts. 2/3 FL, jt. venture in Houston & Fla.

| EPS/CFS: | May    | Aug.  | Nov.  | Feb. | Year   |
|----------|--------|-------|-------|------|--------|
| FY'79    | 10/16  | 7/15  | 10/18 | 7/15 | 35/64c |
| FY'80    | 40/47a | 4/11a | 6/15a |      |        |

a-34c asset sale gain. Div; 60c/yr. Comment: Buy for long term appreciation. Transco Rlty. owns 26.4%. Bought 73% of private RE corps. 2/80 with Transco. Changing FY to Dec. (Ranked No. 1 2/9/79 at \$9.75)

1 -HOTEL INVESTOR#: \$19.75 (HOT-ASE) SHARE DATA:

1695T, Net book \$17.66 + Deprec. \$2.28; Loss res. \$0.19; Taxloss \$0.00; ASSETS: \$74.5M, 3% nonearn + 6% lowearn. 3% foreclosed. FINANCE: \$45.1M debt is 1.5X \$29.9M equity. \$15M secured mtgs., \$15M secured @ 9 3/4% for 15 yrs., \$14M converts., Assets 50% inv. props., 47% LT mtgs.; all hotel/motel, most nat'l franch.; sale of 2 in Tucson off but some cash flow expected in FY '80.

| EPS/CFS: | Nov.   | Feb.  | May   | Aug.  | Year      |
|----------|--------|-------|-------|-------|-----------|
| FY'79    | 43/58  | 45/59 | 66/79 | 51/64 | 2.05/2.59 |
| FY'80    | 87/98a | 58/   |       |       |           |

a-Incl. 23c sale gain.

Div: \$2.20/yr. Comment: Sh. & Bonds: Buy; IRS approval for stock pairing with corp. to operate hotels, holder approval needed; Building new hotels. Morgan Guar. holds 30.1% as trustee; U.S. Steel & Carnegie Pension Fund 9.7%. (Ranked No. 1 2/9/79 at \$17.88)

2 -HUBBARD REI: \$14.00 (HRE-NYSE) SHARE DATA:

4004T, Net book \$25.30; Deprec. \$0.52; Loss res. \$0.00; Taxloss \$0.00; ASSETS: \$94.9M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$3.2M debt is 0X \$101.3M equity. Most property net leased to major lessees: 21% Safeway, 18% Ashland Oil, 18% Chrysler.

| EPS: | Jan. | Apr. | Jul. | Oct. | Year    |
|------|------|------|------|------|---------|
| 1979 | 43c  | 45c  | 46c  | 81c  | a 2.15a |
| 1980 | 45c  |      |      |      |         |

a-Incl. 17c Grant & 17c loss res. recovery. Div: \$1.76/annual rate. Comment: Buy/hold for yield at 45% below book; Chrysler exposure raises risk.

1 -ICM REALTY: \$12.75 (ICM-ASE) SHARE DATA:

3011T, Net book \$16.03; Deprec. \$0.01; Loss res. \$2.12; Taxloss \$1.13; ASSETS: \$61.7M, 31% nonearn + 0% lowearn. 7% foreclosed. FINANCE: \$7.3M debt is .2X \$48.3M equity. \$6.6M bank debt to 2/82 at lesser of 120% prime or 1½% over prime. Assets 45% apts., 31% shop. ctrs., 11% land; 56% land leasebacks.

| EPS: | Feb. | May | Aug. | Nov. | Year  |
|------|------|-----|------|------|-------|
| 1979 | 17c  | 22c | 39c  | 51cb | 1.28b |
| 1980 | 38cb |     |      |      |       |

b-9c prop. sales '80, 22c '79. Div: \$1.00 annual rate. Comment: Buy/hold long term recovery; cutting debt as 1% prime=1c/sh Q; leasebacks boosting EPS. Eastover Corp. & Citiz. Gro. own 26% & L. Speed made Chairman, took two more seats.

(Ranked No. 1 12/21/79 at \$14.25)

4N-INDEPENDENCE MT: \$4.00 (IMTGS-OTC) SHARE DATA:

2625T, Net book \$ 3.58; Deprec. \$0.25; Loss res. \$0.41; Taxloss \$18.29; ASSETS: \$17.0M, 0% nonearn + 0% lowearn. 99% foreclosed. FINANCE: \$9.1M debt is 1X \$9.4M equity. \$400T bank at 8%. Rest debt mtgs. on props.

Earnings: Dec. qtr. d2c after d1c taxloss.

Comment: Speculation on 3 remaining as-sets; Wm. Davenport et al. own 5% of shs. (FY June)

2N-INDIANA FCL INV: \$3.13 (IFII-OTC) SHARE DATA:

1154T, Net book \$ 8.95; Deprec. \$0.15; Loss res. \$1.88; Taxloss \$6.85; ASSETS: \$31.0M, 21% nonearn + 21% lowearn. 21% foreclosed. FINANCE: \$19.3M debt is 1.9X \$10.3M equity. \$20M bank credit to 10/80 at prime. Hopes to repay banks next 2-4 qtrs. as each 1% prime=4c/sh/qtr. Assets 66% mtgs. (land and commercial), 10% investment props.

| EPS:  | Sept. | Dec. | Mar. | June | Year |
|-------|-------|------|------|------|------|
| FY'79 | 9ca   | d9ca | 41cb | d1ca | 40ca |
| FY'80 | d7c   | d17c |      |      |      |

a-Loss res. credits: 17c '79. b-Sale gain: 54c '79. Comment: Hold for EPS improvement if debt repaid fast. Telvest Inc. owns 10%

3N-INSTITUTNAL INV: \$1.25 (INV-NYSE) SHARE DATA:

6798T, Net book \$ 0.98; Deprec. \$0.15; Loss res. \$0.92; Taxloss \$6.15; ASSETS: \$55.4M, 82% nonearn + 0% lowearn. 75% foreclosed. FINANCE: \$47.4M debt is 7.1X \$6.6M equity. \$23½M bank at 110% of prime. Assets 14% apts. 45% land; 20% Fla.

| EPS:  | Apr.  | July  | Oct.  | Jan. | Year |
|-------|-------|-------|-------|------|------|
| FY'79 | d35cb | 33cb  | d10c  | d83c | d95c |
| FY'80 | d31ca | d26ca | d22ca |      |      |

a-11c sale gain. b-39c debt extinguish gain. Comment: Hold; Insiders buying; paid off \$4.4M of 7-7/8% sr. notes 2/1/80 w/ new loan agmt. extending terms & altering amort. sched. Cntng. int. changed to convt. note, giving banks 9.7% of total shs. if exer. High int. will hurt EPS. Bonds: \$15.2M of new 8½% 1st priority sub. notes due '87.

2 -IRT PROPRTY CO#: \$8.88 (IRT-ASE) SHARE DATA:

2330T, Net book \$10.64 + Deprec. \$1.88; Loss res. \$0.34; Taxloss \$0.00; ASSETS: \$58.9M, 4% nonearn + 0% lowearn. 1% foreclosed. FINANCE: \$34.1M debt is 1.4X \$24.8M equity.



Debt 91% mtgs. Assets 86% props. (shop. ctrs. & apts.), 14% mtgs.

EPS/CFS: Feb. May Sept. Dec. Year  
1979 18/25 20/26 60/63b 20/31 1.34/1.60

Changing to Dec. yr.; Results for Investors Rlty. thru May '79. b-33¢ sale gain, 7¢ taxloss. Div: Raised to 90¢/yr. Comment: Interesting LT holding for benefits of Summit merger; Sold LA apts 2/80 for \$1.55/sh. gain (installment basis).

2 -JMB REALTY: \$15.00 (JMBRS-OTC) SHARE DATA:  
510T, Net book \$19.80; Deprec. \$1.73; Loss res. \$0.00; Taxloss \$0.00; ASSETS: \$30.8M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$20.4M debt is 2X \$10.1M equity. \$19M mtg. debt. Assets 74% wraparound mtgs., 11% land leasebacks; 35% apts., 49% shop. ctrs.  
EPS: Nov. Feb. May Aug. Year  
FY'79 48¢ 51¢ 54¢ 59¢ 2.12  
FY'80 52¢  
Div: \$2.12/yr. Comment: Buy/hold for spec. yield.

2N-KENILWORTH RLT#: \$28.25 (KRT-NYSE) SHARE DATA:  
2609T, Net book \$17.33 + Deprec. \$5.65; Loss res. \$0.00; Taxloss \$3.07; ASSETS: \$100.7M, 4% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$62.9M debt is 1.4X \$45.2M equity. Debt all mtgs. Assets 93% props., 46% NYC off.  
EPS/CFS: May Aug. Nov. Feb. Year  
FY'79 d8/+8 d9/+12 1/24 1/34 d4/78ca  
FY'80 9/31b d12/+19b 35/57ac  
a-Sale gains: 11¢ '79, 20¢ '80. b-RE tax refund. c-Tax loss credit 4¢. Div: 40¢/yr. Comment: Appeal for liquidation @ \$35/sh. or over; David J. Greene group controls; Play on NYC office improvement. No interest rate exposure.

2N-KENTUCKY PROPTY: \$1.38 (KMTGS-OTC) SHARE DATA:  
1100T, Net book \$ 3.27; Deprec. \$0.01; Loss res. \$1.14; Taxloss \$9.91; ASSETS: \$12.2M, 36% nonearn + 50% lowearn. 84% foreclosed. FINANCE: \$7.2M debt is 2X \$3.6M equity. All secured bank debt to 5/80 @ 8%, 4% cash, rest deferred; try to sell apts. to repay. Assets 47% apts., 38% land/devel.; 39% Ky.  
EPS: Feb. May Aug. Nov. Year  
FY'78 d6¢ 1.05a d6¢ 37ca 1.30a  
FY'79 3cb 20cb 2cb 3cb 29b  
a-Swap gain: 98¢ & Loss res. credit: \$1.10. b-Tax benefit: 11¢ & Loss res. credit: 20¢. Comment: Sales may boost book; broker Brent Baird controls 21.3%.

5N-LIFETIME COMMUN: \$0.50 (LFTMS-OTC) SHARE DATA:  
6661T, Net book \$ 3.28; Deprec. \$0.04; Loss res. \$2.15; Taxloss \$9.35; ASSETS: \$88.7M, 64% nonearn + 0% lowearn. 41% foreclosed. FINANCE: \$57.1M debt is 2.6X \$21.9M equity. \$52M bank w/o interest. Earnings: Oct. Q 17¢ after 9¢ tax credit. Comment: High risk; Co. working off assets under 1/78 Ch. XI plan to repay banks by 1983; Banks got 47% of shs. (FY Oct.)

2N-LINCOLN MTG: \$2.19 (LNMGS-OTC) SHARE DATA:  
1155T, Net book \$ 0.56; Deprec. \$0.27; Loss res. \$2.25; Taxloss \$3.56; ASSETS: \$12.8M, 0% nonearn + 37% lowearn. 37% foreclosed. FINANCE: \$10.6M debt is 16.5X \$0.6M equity.

Debt is \$10.3M converts, rest mortgages. Assets: 70% apts. Earnings: Dec. qtr. d5¢. after 6¢ gain on debent. repurch. Comment: Spec. that mgmt. can rebuild book via development and/or acquisitions. Owns 9% of Audiotronics & 6% of Builders Inv. Group. Mgmt. owns 25.2% & Whitaker group owns 6.4%. (FY Mar.)

3 -LOMAS & NET MTG: \$14.25 (LOM-NYSE) SHARE DATA:  
3700T, Net book \$28.00; Deprec. \$0.00; Loss res. \$2.03; Taxloss \$0.00; ASSETS: \$354.7M, 7% nonearn + 0% lowearn. 9% foreclosed. FINANCE: \$259.4M debt is 2.5X \$103.6M equity. \$155M comcl. paper, \$56M ST bank, \$48M LT, all floating. Loans 71% const., 19% acq./devel. most Tex. Assets expected to be \$350M or less by 6/80.

EPS: Sept. Dec. Mar. June Year  
FY'79 48¢ 49¢ 51¢ 55¢ 2.03  
FY'80 65¢ 65¢ E55¢

Div: Dec. Q 65¢. Comment: Hold/buy; shares depressed 49% below book as 1% prime = 6¢/sh. qtr. but should be somewhat offset by incr. portfolio balance & lower NE assets. Full impact of reduced spread to be felt in Mar Q, but FY'80 EPS should be up. \$198M unfunded commitments 12/79

2 -M&T MORTGAGE: \$9.75 (MTMIS-OTC) SHARE DATA:  
1486T, Net book \$10.43; Deprec. \$0.00; Loss res. \$1.11; Taxloss \$0.00; ASSETS: \$59.3M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$42.4M debt is 2.7X \$15.5M equity. \$43M bank lines; all bank debt secured; sponsor provides compens. balances. Assets all Tex. mtgs., most 1-family constr/devel.  
EPS: Nov. Feb. May Aug. Year  
FY'79 32¢ 44¢ 45¢ 45¢ 1.66  
FY'80 45¢ 50¢

Div: \$1.60/yr. + 20¢ extra 10/79. Comment: Hold for stable yield, good relative value; some interest rate exposure.

1N-MARYLAND REALTY: \$2.25 (MDRTS-OTC) SHARE DATA:  
760T, Net book \$ 7.97; Deprec. \$0.33; Loss res. \$2.47; Taxloss \$5.32; ASSETS: \$17.1M, 31% nonearn + 9% lowearn. 39% foreclosed. FINANCE: \$8.9M debt is 1.4X \$6.2M equity. Debt at prime. Assets 37% apts., 31% land; 24% Ga & 76% FL; pledged. Earnings: Feb. Q d17¢ Comment: Recovery spec.; Plans to become equity trust; To restructure bank debt & offer 760T shs. (1-for-1) @ 5¢ below bid price; Federated Devel., 24% owner, to buy unsubscribed shs. + sufficient add'l for total 35%. (FY Nov) (Ranked No. 1 4/13/79 at \$3.75)

1 -MASSMUTUAL MTG: \$11.50 (MML-NYSE) SHARE DATA:  
4670T, Net book \$19.88; Deprec. \$0.27; Loss res. \$0.21; Taxloss \$0.00; ASSETS: \$180.1M, 4% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$86.7M debt is .9X \$92.8M equity. Small int. rate exposure; \$67M converts. Assets 37% shop. ctr. & retail; 82% LT mtgs.  
EPS: Jan. Apr. July Oct. Year  
FY'79 36ca 39ca 37ca 43¢ 1.53a  
FY'80 38ca

a-Deben. repurchase gains: 8¢ '79, 2¢ '80 & Prior interest: 4¢ '79. Div: Upped to \$1.40/yr. 9/79. Comment: Buy/hold at 41% below book & low int. exposure. (Ranked No. 1 9/8/78 at \$14.88)



**3N-METROPLEX RLTY: \$0.25 (JMI-OTC) SHARE DATA:**

11840T, Net book \$ 1.04; Deprec. \$0.00; Loss res. \$0.30; Taxloss \$2.36; ASSETS: \$16.1M, 87% nonearn + 0% lowearn. 53% foreclosed. FINANCE: \$1.3M debt is .1X \$12.4M equity. \$9.6 sub. debt converted into unregistered stock under CH. XI plan. Assets mostly land & lots. Earnings: FY'79 86¢ on avg. shs. Incl. 72¢ spec. items & 41¢ loss reserve credit. Comment: Shs. spec. on poss. merger; \$1.05/sh. offer withdrawn as Metroplex wanted all cash. (FY Sept.)

**2N-MIDLAND MTG: \$3.13 (MMT-NYSE) SHARE DATA:**

2382T, Net book \$ 1.95; Deprec. \$0.21; Loss res. \$0.88; Taxloss \$10.43; ASSETS: \$12.8M, 33% nonearn + 0% lowearn. 25% foreclosed. FINANCE: \$11.3M debt is 2.4X \$4.7M equity. \$7M subor. debts. redeemed 3/1/80; rest convts. Assets: 45% motel, 25% land.

| EPS:  | Sept. | Dec. | Mar.  | June | Year |
|-------|-------|------|-------|------|------|
| FY'79 | 5¢    | 6¢b  | d16¢b | 20¢  | 15¢b |
| FY'80 | 1.48a | 9¢a  |       |      |      |

a-Incl. 72¢ taxloss, 4¢ debt repurch. & \$1.55 pretax litigation gains. b-16¢ debt repurch. & 6¢ taxloss. Comment: Agrees to acq. for 3.6M shs. land & devel. rights at Col. ski resort, sub. to shareholder approval late Apr. Okla. broker P. Hoffman holds 15% of shs.

**2 -MILLER(HS) TRST: \$15.75 (HSMTS-OTC) SHARE DATA:**

560T, Net book \$18.92; Deprec. \$3.33; Loss res. \$1.14; Taxloss \$0.00; ASSETS: \$20.1M, 7% nonearn + 0% lowearn. 7% foreclosed. FINANCE: \$9.8M debt is .9X \$10.6M equity. Debt 97% mtgs. on props. Assets: 60% shopping centers, 18% land; most Tex.

| EPS:  | May  | Aug.  | Nov. | Feb. | Year    |
|-------|------|-------|------|------|---------|
| FY'79 | 30¢  | 2.34a | 29¢  | 31¢  | \$3.25a |
| FY'80 | 43¢b | 40¢   | 49¢b |      |         |

a-Incl. \$2.13 sale & insur. gains. b-6¢ insur., 7¢ settlement, & 2¢ sale gain. Div: Raised to \$1.80/yr. rate Apr. Comment: Buy for long term gains; Jackson group has 11%.

**1N-MISSION INV TR: \$3.75 (MIT-ASE) SHARE DATA:**

1812T, Net book \$ 6.31; Deprec. \$0.28; Loss res. \$0.60; Taxloss \$5.42; ASSETS: \$25.3M, 28% nonearn + 49% lowearn. 70% foreclosed. FINANCE: \$12.5M debt is 1.1X \$11.4M equity. \$11.7M bank debt at 2½% over prime; Assets pledged. Assets: 55% resid., 32% land & devel.

| EPS:  | Feb. | May | Aug. | Nov. | Year  |
|-------|------|-----|------|------|-------|
| FY'78 | 15¢a | 5¢a | d1¢  | 1¢   | 20¢a  |
| FY'79 | 5¢b  | 4¢b | 99¢b | 36¢b | 1.41b |

a-Incl. 12¢ sale gains, 17¢ inter. recovery. b-Incl. \$1.21 loss res. recovery & 12¢ tax loss credit. Comment: Lawsuit settlement 8/79 on prime hi-rise apt. to help EPS; Plans equity investments. Intermark, Inc. has 15.6% shs. & Pres. took board seat. (Ranked No. 1 12/7/79 at \$6.50.)

**3 -MONY MTG INV: \$7.00 (MYM-NYSE) SHARE DATA:**

8952T, Net book \$ 9.79; Deprec. \$0.16; Loss res. \$0.19; Taxloss \$0.00; ASSETS: \$206.9M, 5% nonearn + 0% lowearn. 5% foreclosed. FINANCE: \$121.1M debt is 1.4X \$87.7M equity. \$75M short term debt incl. \$62M comcl. paper. Assets: 40% ST mtgs., 45% LT mtgs.; 33% multi-family, 32% office, 27% shop ctrs. Making

new commitments.

| EPS:  | Aug. | Nov. | Feb. | May  | Year |
|-------|------|------|------|------|------|
| FY'79 | 17¢  | 17¢  | 18¢  | 30¢a | 83¢a |
| FY'80 | 23¢a | 41¢a | 21¢  |      |      |

a-Incl. sale gain: 7½¢ '79; 34¢ '80. Div: 92¢ ann. rate + 10¢ ext. 1/80, under "constant consideration." 69% cap. gains calendar 1978. Comment: Hold; Buy if div. cut.

**1N-MORAGA CORP: \$7.25 (MORA-OTC) SHARE DATA:**

1355T, Net book \$ 8.19; Deprec. \$0.43; Loss res. \$2.99; Taxloss \$11.96; ASSETS: \$40.3M, 28% nonearn + 45% lowearn. 61% foreclosed. FINANCE: \$25.3M debt is 2.3X \$11.1M equity. Debt is \$9.6M secured loan @ 11½% to 1/94. Assets: 20% land, 18% apts.

| EPS:  | Oct. | Jan.  | Apr. | July | Year    |
|-------|------|-------|------|------|---------|
| FY'79 | d20¢ | 6.46a | 97¢a | 24¢a | \$7.47a |
| FY'80 | 2¢b  | 2¢b   |      |      |         |

a-Incl. swap gains, taxloss benefits & interest forgiveness: \$7.42 '79. b-2¢ taxloss. Comment: Good spec. on acquisitions. Warren group buys 6.1%; Canadian invest. funds 14.4%. (Ranked No. 1 1/12/79 at \$3.00)

**1 -MORTGAGE GROWTH: \$8.88 (MTG-ASE) SHARE DATA:**

2646T, Net book \$10.57 + Deprec. \$1.35; Loss res. \$0.28; Taxloss \$0.00; ASSETS: \$49.6M, 4% nonearn + 0% lowearn. 4% foreclosed. FINANCE: \$22.6M debt is .8X \$28.0M equity.

Debt: \$6.8M converts, \$1.9M banks, \$13.8M mtg. Assets: 77% apts, 14% offices; 35% Calif.

| EPS/CFS | Feb.  | May    | Aug.   | Nov.  | Year   |
|---------|-------|--------|--------|-------|--------|
| FY'78   | 10/18 | 12/20  | 13/21  | 14/22 | 49/81¢ |
| FY'79   | 16/20 | 24/28a | 22/26a | 19/23 | 81/97a |

a-Incl. 8¢ sale gain & 5¢ prior int. Div: \$1.00 ann. rate. Comment: Spec. buy/hold for L/T recovery & yield. Sold LA off. blg. Feb. Q for 42¢/sh. gain. Will hold & add to shldr. equity. May consider attractive merger. (Ranked No. 1 9/8/79 at \$7.63)

**4N-MTG INV WASH: \$2.00 (MINVS-OTC) SHARE DATA:**

2146T, Net book \$ 4.72; Deprec. \$0.10; Loss res. \$1.16; Taxloss \$5.85; ASSETS: \$29.9M, 49% nonearn + 17% lowearn. 52% foreclosed. FINANCE: \$19.1M debt is 1.9X \$10.1M equity. Assets: 34% earning loans.

| EPS:  | June | Sept. | Dec. | Mar. | Year  |
|-------|------|-------|------|------|-------|
| FY'79 | 25¢a | d22¢  | d4¢  | d35¢ | d36¢a |
| FY'80 | 2¢a  | 78¢a  | 15¢a |      |       |

a-Incl. sale gains: 38¢ '79; \$1.72 '80. Comment: Trading, recovery potential. Swapped all but 2 banks 1/80 & repaid Equit. Life \$6M sub. debt. \$15M debens. due 11/80. Deltec Pan-america has 7.2% & board seat.

**1N-MTG TRUST AMER: \$6.63 (MT-NYSE) SHARE DATA:**

3993T, Net book \$13.90; Deprec. \$0.51; Loss res. \$1.54; Taxloss \$1.25; ASSETS: \$60.3M, 39% nonearn + 0% lowearn. 33% foreclosed. FINANCE: \$3.7M debt is .1X \$54.7M equity. Debt all mtgs.; has \$20M bank lines. Assets: 42% land & devel., 18% hotels, 17% apts.

| EPS:  | Feb.  | May   | Aug.  | Nov. | Year   |
|-------|-------|-------|-------|------|--------|
| FY'79 | 21¢ab | 23¢ab | 37¢ab | 19¢b | 1.00ab |
| FY'80 | 14¢   |       |       |      |        |

a-Incl. prop. sales: 27¢ '79. b-29¢ interest & 3¢ loss res. recovery '79. Comment: Buy/hold at 52% below book. Started jt. vent. dev. & making new commitments. Studying name change



& may change to corp. form. Transamerica Mtg. Advisers owns 5.3%.  
(Ranked No. 1 11/10/78 at \$5.88)

4N-NATIONAL MTG: \$0.75 (NMF-OTC) SHARE DATA:  
3707T, Net book \$ 2.19; Deprec. \$0.00; Loss res. \$1.49; Taxloss \$2.51; ASSETS: \$18.3M, 70% nonearn + 0% lowearn. 70% foreclosed. FINANCE: \$6.3M debt is .8X \$8.1M equity. Most debt secured bank loan w/no interest from Ch. XI settlement; Assets 72% land. Earnings: Nov. Q 1c; no dividend. Comment: Rising rates may slow marketing of land; first phase of Gwinnett Co., GA lots near sellout; Broker Brent Baird holds 6.7%. (FY Feb.)

3 -NATIONWIDE RE: \$12.25 (NRELS-OTC) SHARE DATA:  
1047T, Net book \$24.58; Deprec. \$0.27; Loss res. \$1.22; Taxloss \$0.00; ASSETS: \$28.1M, 34% nonearn + 14% lowearn. 40% foreclosed. FINANCE: \$6.5M debt is .3X \$25.7M equity. Assets 25% medical, 14% condos, 11% land; 30% Ohio, 17% Ind. Earnings: Dec. Q 22c incl. 2c interest recovery. Div: Paid 56c last 12 mos. Comment: Withdrew from Buckeye S&L offer of \$18.25 cash or 1 sh. new 9-7/8% convt. pfd. due to diminished value to shareholders. Still looking for merger. (FY Mar)

2 -NEW PLAN RL TR#: \$8.13 (NPR-ASE) SHARE DATA:  
3066T, Net book \$ 3.94 + Deprec. \$2.47; Loss res. \$0.00; Taxloss \$0.00; ASSETS: \$19.4M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$15.2M debt is 1.2X \$13.0M equity. Debt 87% mtgs., 11% subor. Assets 71% shop. ctrs. (most older), 14% residential. 

| EPS/CFS: | Oct.  | Jan.  | Apr.  | July  | Year  |
|----------|-------|-------|-------|-------|-------|
| FY'79    | 23/22 | 19/18 | 19/18 | 26/25 | 87/83 |
| FY'80    | 21/20 |       |       |       |       |

Div: 90c/yr. paid monthly. Comment: Buy/hold for quality yield.

3N-NJB PRIME INV: \$4.00 (NJBSS-OTC) SHARE DATA:  
1860T, Net book \$ 4.19; Deprec. \$0.64; Loss res. \$4.09; Taxloss \$10.75; ASSETS: \$18.0M, 40% nonearn + 0% lowearn. 29% foreclosed. FINANCE: \$4.6M debt is .6X \$8.2M equity. Ch. XI plan confirmed 3/12/79; Deb. holders took 681T 6% convts. + 482T shs. + \$1.4M cash. Swapped \$41M assets to repay all bank debt. Assets 43% motor lodges/restrnts, 27% condos. Earnings: Nov. FY \$10.89 incl. 32c sale gain & \$11.06 extraordinary income. Comment: Hold; Prime Motor Inns (8% owner) called off offer of \$2 cash + Prime sh. for \$4.25/sh. value. To change name 4/14 to Vyquest Trust.

3N-NORTH AMER MTG: \$3.00 (NAM-NYSE) SHARE DATA:  
6901T, Net book \$ 5.65; Deprec. \$0.39; Loss res. \$1.34; Taxloss \$N/A; ASSETS: \$125.2M, 36% nonearn + 50% lowearn. 82% foreclosed. FINANCE: \$78.2M debt is 2X \$39.0M equity. \$32M bank term loan @ 117% prime, 12% maximum to 10/83; Assets 51% apts., 25% condo; 28% FL. 

| EPS: | Mar.  | June  | Sept. | Dec. | Year   |
|------|-------|-------|-------|------|--------|
| 1978 | d34c  | d37c  | d32c  | d26c | d1.29a |
| 1979 | d40ca | d20ca | d16ca |      |        |

a-Incl. sale gains: 12c '78; 19c + 2c litigation gain '79. Comment: Hold; liable for \$1.23/

sh. damages f/loan commitment default; Can end REIT; Good chance of being profitable this year. Amer. Fincl. owns 36%.

3 -NW MUT LIFE MTG: \$8.00 (NML-NYSE) SHARE DATA:  
4758T, Net book \$19.08; Deprec. \$0.66; Loss res. \$0.65; Taxloss \$0.00; ASSETS: \$231.2M, 8% nonearn + 0% lowearn. 8% foreclosed. FINANCE: \$138.5M debt is 1.5X \$90.8M equity. \$77½M debt open bank lines, \$12M comcl. paper. Assets 27% office, 26% shop. ctr., 12% industrial; 58% LT mtgs. 

| EPS   | June | Sept. | Dec. | Mar. | Year    |
|-------|------|-------|------|------|---------|
| FY'79 | 49cb | 17c   | 20c  | 21c  | \$1.07b |
| FY'80 | 27c  | 30c   | 22c  |      |         |

b-35c sale gains in '79.

Div: \$1/yr. rate; helped by cap. gains. Comment: Hold/sell, 1% prime=2c/sh. qtr.; EPS not covering div. Plans offering \$25M variable rate notes due '87.

2 -PACIFIC RLT TR#: \$20.25 (PTR-ASE) SHARE DATA:  
841T, Net book \$18.61 + Deprec. \$4.82; Loss res. \$0.30; Taxloss \$4.76; ASSETS: \$43.6M, 3% nonearn + 0% lowearn. 2% foreclosed. FINANCE: \$27.5M debt is 1.8X \$15.3M equity. \$15M secured term loan to 2/28/84. Assets 77% prop. owned or in constr; 72% indus., 28% off. 

| EPS/CFS | Aug.   | Nov.   | Feb.   | May    | Year       |
|---------|--------|--------|--------|--------|------------|
| FY'79   | 28/44a | 28/45a | 48/65a | 83/88a | 1.87/2.41a |
| FY'80   | 48/63a | 43/58a | 33/49  |        |            |

a-23c loss res. credit & 62c sale gain '79; 22c loss res. cred. '80. Div: \$1.20/yr. rate; '79 47% ret. of cap; can pay 100% cash flow. Comment: Buy/hold f/improving equity base & new devels.; mgt. est. prop. value \$11.40/sh. over net book 5/79. Rejected Bren Co. offer @ \$30/sh. Insiders buying.

1 -PACIF SOTHRN MT: \$6.50 (PSMTS-OTC) SHARE DATA:  
800T, Net book \$12.21; Deprec. \$0.00; Loss res. \$0.03; Taxloss \$0.00; ASSETS: \$9.7M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: NO debt over \$9.8M equity. Assets 75% comcl. LT loans, 11% prop & ptrnshp. 

| EPS:  | June | Sept. | Dec. | Mar. | Year |
|-------|------|-------|------|------|------|
| FY'79 | 15c  | 19c   | 24ca | 39ca | 97ca |
| FY'80 | 31ca | 61ca  | 24ca |      |      |

a-Loss Res. credit: 23c '79; 50c '80. Div: \$1.60 last 12 mos. incl. 72c litigation settlement, now completed. Comment: Long term hold; Bought 70% interest in San Diego area office bldg. Chrmn. of Mission Inv. has 7.6%; trust Chrm. owns 5½%. (Ranked No. 1 9/8/78 at \$8.38)

1N-PARKWAY COMPANY: \$6.25 (PKWYS-OTC) SHARE DATA:  
1055T, Net book \$ 8.03; Deprec. \$0.00; Loss res. \$1.78; Taxloss \$8.21; ASSETS: \$15.7M, 50% nonearn + 0% lowearn. 45% foreclosed. FINANCE: \$5.6M debt is .7X \$8.5M equity. Earnings: Dec. Q 24c after 25c sale gain & taxloss credit. Comment: Buy, acquired GBN Corp. real estate devel. venture, owns undevel. land near Houston airport. Eastover owns 28.9% shs. & took control 3/25/80. s.(FY Jun) (Ranked No. 1 10/12/79 at \$5.75)



## 1 -PENN REIT: \$18.38 (PEI-ASE) SHARE DATA:

1561T, Net book \$14.50; Deprec. \$14.35; Loss res. \$0.10; Taxloss \$0.00; ASSETS: \$70.0M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$55.0M debt is 2.4X \$22.6M equity. Debt is 91% mtgs.; 6½M bank lines. Assets 64% shop. ctrs., 25% apts.

| EPS   | Nov. | Feb. | May | Aug. | Year |
|-------|------|------|-----|------|------|
| FY'79 | 50¢  | 46¢  | 54¢ | 68¢  | 2.18 |
| FY'80 | 59¢  |      |     |      |      |

Div: \$1.95/yr.; paid semi-annually.

Comment: Buy/hold LT for yield & gains.

(Ranked No. 1 12/8/78 at \$15.00)

## 4N-PLAZA REALTY: \$1.25 (PRISS-OTC) SHARE DATA:

1114T, Net book \$ 0.63; Deprec. \$0.15; Loss res. \$1.48; Taxloss \$9.25; ASSETS: \$15.9M, 69% nonearn + 0% lowearn. 44% foreclosed. FINANCE: \$12.2M debt is 17.5X \$0.7M equity. \$5M bank debt at 1% cash or earnings to 1983 up to prime. Assets 68% property owned. Earnings: Sep. Q d5¢. Comment: Hold; Gould owns 9.4% shs. & may buy more, merger talks ended in Dec. (FY Dec.)

## 3 -PNB MTG &amp; RLTY: \$7.13 (PNI-NYSE) SHARE DATA:

4759T, Net book \$16.46; Deprec. \$0.04; Loss res. \$0.26; Taxloss \$0.00; ASSETS: \$165.4M, 2% nonearn + 6% lowearn. 7% foreclosed. FINANCE: \$89.1M debt is 1.1X \$78.3M equity. \$51M commcl. paper. Assets 35% LT mtgs.

| EPS   | Dec. | Mar. | June | Sept. | Year  |
|-------|------|------|------|-------|-------|
| FY'79 | 41¢b | 26¢  | 25¢  | d71¢b | 20¢ba |
| FY'80 | 28¢c |      |      |       |       |

a-Sutro & PNB qtrs. combined. b-18¢ sale gain & 95¢ litigation res. chrg. c-Incl. 5¢ gain, 12¢ back int. & 11¢ combination expenses. Div: \$1.08/yr. rate. Comment: Hold for benefits of merger w/Sutro Mtg. completed Nov.; interest vulnerability reducing. Settled suit & will reverse 21¢ res. charge. To consider div. at 4/16/80 meeting.

## 1 -PROPERTY CAPITL: \$16.00 (PCL-ASE) SHARE DATA:

2065T, Net book \$13.76; Deprec. \$0.00; Loss res. \$0.59; Taxloss \$0.00; ASSETS: \$46.0M, 6% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$18.2M debt is .6X \$28.4M equity. \$5M under \$15M bank lines at prime. Assets 66% leasebacks, 34% LT jr. mtgs.; 34% apts., 29% office, 22% shop. ctrs.

| EPS:  | Oct. | Jan. | Apr. | July | Year    |
|-------|------|------|------|------|---------|
| FY'79 | 30¢b | 33¢  | 35¢  | 36¢  | \$1.34b |
| FY'80 | 38¢  | 39¢b |      |      |         |

b-Sale gains: 10¢ '79; 12¢ '80.

Div: \$1.56/yr. rate. Comment: Buy/hold for high yield & modest EPS gain; appraised at \$9.89/sh. over book at 7/79; agrees to sell apt. for \$9M in cash or props. for \$3.80/sh. gain in 7/80. May sell \$20M convt. pfd. to institutional inv. to repay banks & for additional investments.

(Ranked No. 1 12/21/79 at \$14.88)

## 2 -PROPTY TR AMER#: \$7.50 (PTRAS-OTC) SHARE DATA:

2338T, Net book \$ 7.35 + Deprec. \$1.81; Loss res. \$0.21; Taxloss \$0.00; ASSETS: \$33.4M, 8% nonearn + 0% lowearn. 8% foreclosed. FINANCE: \$15.8M debt is .9X \$17.2M equity. \$15M mtgs. Assets 71% inv. props., 79% Tex.

| EPS/CFS | Mar.  | June | Sept.  | Dec. | Year    |
|---------|-------|------|--------|------|---------|
| 1978    | 2/6b  | 2/5  | 11/15b | 6/8  | 20/35¢b |
| 1979    | 7/13a | 7/11 | 6/12   | 7/12 | 27/72¢a |

a-Incl. 3¢ prop. sale gain. b-6¢ gain & 3¢ tender expense. Div: 48¢/yr. + 25¢ cap. gain pd. Mar. Expect to pay 75¢ more cap. gains in '80. Comment: Hold; Shamrock Assoc. owns 14%. Land sale 3/80 Q for \$7½M gain.

## 3 -REALTY INCOME: \$6.00 (RIT-ASE) SHARE DATA:

1591T, Net book \$10.05; Deprec. \$1.74; Loss res. \$0.50; Taxloss \$0.38; ASSETS: \$53.2M, 16% nonearn + 0% lowearn. 6% foreclosed. FINANCE: \$38.9M debt is 2.4X \$16.0M equity. \$10M under \$16M bank lines at prime; \$12½M term at 1½% over prime to 10/31/81. Assets 50% long-term mtgs., 23% invest. prop.

| EPS:  | July | Oct.  | Jan.  | Apr. | Year    |
|-------|------|-------|-------|------|---------|
| FY'79 | d32¢ | 3.32b | d16¢  | N11  | \$2.55b |
| FY'80 | d30¢ | 35¢b  | d31¢b |      |         |

b-Inc. \$3.94 sale gain '79; 47¢ '80. Div: 80¢/yr., paying cap. gains. Comment: High interest hurts EPS. Sold 3 forcl. props. to Wisc. REIT for mtgs. European group owns 20%.

## 4 -REALTY REFUND: \$8.00 (RRF-NYSE) SHARE DATA:

1377T, Net book \$17.31; Deprec. \$0.00; Loss res. \$0.00; Taxloss \$0.00; ASSETS: \$70.2M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$44.6M debt is 1.9X \$23.8M equity. \$8½M bank debt at prime to 10/81. Assets 80% wraparound, 20% LT mtgs., 43% apts., 40% office & industrial.

| EPS:  | Apr. | July | Oct. | Jan. | Year   |
|-------|------|------|------|------|--------|
| FY'79 | 51¢  | 47¢  | 42¢  | 41¢  | \$1.81 |
| FY'80 | 40¢  | 40¢  | 36¢  | 33¢  | 1.49   |

Div: Jan. Q 33¢. Comment: Hold/sell; EPS partly sensitive to prime.

## 2 -REIT OF AMERICA: \$21.38 (REI-ASE) SHARE DATA:

1633T, Net book \$22.75; Deprec. \$8.17; Loss res. \$0.00; Taxloss \$0.00; ASSETS: \$41.9M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$8.6M debt is .2X \$37.2M equity. Assets 46% shop. ctrs., 25% office, 20% indus, 46% Cal., 16% Mass.; 2.7% vacant overall.

| EPS:  | Feb. | May   | Aug. | Nov. | Year  |
|-------|------|-------|------|------|-------|
| FY'78 | 67¢  | 31¢   | 28¢  | 44¢  | 1.70a |
| FY'79 | 63¢a | 1.13a | 43¢a | 53¢a | 2.72a |

a-Prop sale gains: 40¢ '78; 89¢ '79.

Div: Upped to \$2/yr. rate; Div. paid since 1887; 45¢ extra 1/80. Comment: Hold for LT improvement of property yield. Unicorp. Fincl. (Can.)owns 9.8%.

## 3N-REPUBLIC MTG: \$2.25 (RMI-NYSE) SHARE DATA:

2107T, Net book \$ 4.27; Deprec. \$0.42; Loss res. \$3.59; Taxloss \$12.05; ASSETS: \$39.2M, 70% nonearn + 19% lowearn. 81% foreclosed. FINANCE: \$22.8M debt is 3.7X \$6.1M equity. \$10M bank credit to 6/30/80 at prime, pay 2% cash. Assets 28% land, 19% condos; 62% Fla.

| EPS: | Mar.  | June  | Sept. | Dec.  | Year  |
|------|-------|-------|-------|-------|-------|
| 1978 | d30¢  | +0¢a  | d10¢  | d33¢  | d73¢a |
| 1979 | d50¢a | d17¢a | 0¢a   | 1.37a | 70¢a  |

a-Incl. extra. gains: 30¢ '78; \$6.22 '79.

Comment: Trading, spec. on swaps. Roland Intl. Corp. owns 5.1%.



2N-RIVIERE REALTY#: \$6.50 (N/A-OTC) SHARE DATA:  
 783T, Net book \$ 6.20 + Deprec. \$5.80; Loss  
 res. \$0.01; Taxloss \$0.00; ASSETS: \$22.5M,  
 0% nonearn + 33% lowearn. 2% foreclosed.  
 FINANCE: \$17.1M debt is 3.5X \$4.9M equity.  
 \$11M mtgs. on prop. Earnings: Sep. Q EPS d\$2.08  
 incl. \$2.04 loss on settlement; CFS d\$1.98.  
Comment: Hold; 9/79 took over group of Indpls.  
 props. as major borrower defaulted; Props.  
 used to secure \$2.2M term loan @ 12%. \$1.28/  
 sh. gain 3/80 Q on off. bldg. sale. Loyal  
 Amer. Life Insur. owns 10.2%. (FY Dec.)

2 -RLTY & MTG PAC: \$13.25 (RPACS-OTC) SHARE DATA:  
 1895T, Net book \$18.22; Deprec. \$0.75; Loss  
 res. \$0.19; Taxloss \$0.00; ASSETS: \$95.8M,  
 0% nonearn + 0% lowearn. 15% foreclosed.  
 FINANCE: \$61.1M debt is 1.8X \$34.5M equity.  
 \$60 bank credit to 12/82: \$30M comcl. paper  
 backing & \$30M line to 9½% max. Assets 24%  
 hotel/motel, 23% office; 55% mtgs., 45% props;  
 50% Calif., 16% Hawaii.

| EPS:  | Feb. | May | Aug. | Nov. | Year   |
|-------|------|-----|------|------|--------|
| FY'79 | 53¢  | 34¢ | 45¢  | 43¢  | 1.75ba |
| FY'80 | 36¢  |     |      |      |        |

a-Incl. 20¢ cap. gain, paid as div. 10/15/79.  
 b-Incl. 3¢ litigation income. Div: \$1.60/yr.  
 rate. Comment: Hold, moderately vulnerable to  
 interest rates, office building exchange  
 will improve cash flow 2½X or \$100T; will pro-  
 ceed w/\$650T sh. offering if bank agreement  
 amended so proceeds go to trust.

2 -SAN FRAN RE IN#: \$21.00 (SFI-ASE) SHARE DATA:  
 1399T, Net book \$19.58 + Deprec. \$5.83; Loss  
 res. \$1.28; Taxloss \$0.00; ASSETS: \$62.4M,  
 6% nonearn + 0% lowearn. 6% foreclosed.  
 FINANCE: \$32.7M debt is 1.2X \$27.4M equity.  
 Assets 70% off., most bank occupied. Seeks new.  
EPS/CFS Mar. June Sept. Dec. Year  
 1978 23/28¢ 25/33¢ 29/35¢ 33/40 1.10/1.36  
 1979 32/40¢ 40/43¢ 41/46¢ 45/49 1.58/1.78  
Div: \$1.76/yr. rate. Comment: Hold LT for  
 yield & gains; Bought 50% ptrship int. for  
 \$2M to build Calif. off. complex. Unicorp  
 Fin., Can., owns 8.4%.

2N-SAUL (BF) REIT: \$5.38 (BFS-NYSE) SHARE DATA:  
 5893T, Net book \$ 3.74; Deprec. \$3.83; Loss  
 res. \$0.03; Taxloss \$7.96; ASSETS: \$234.4M,  
 14% nonearn + 31% lowearn. 0% foreclosed.  
 FINANCE: \$212.6M debt is 9.6X \$22.1M equity.  
 \$30M bank at 125% prime; \$120M mtgs. Assets:  
 98% props; 41% shop. ctrs., 20% apts.  
EPS: Dec. Mar. June Sept. Year  
 FY'79 d13¢ d20¢ 22¢ d36¢ d47¢  
 FY'80 d8¢

b-Sale gains: 40¢ '79.  
Comment: Hold for recovery; selling apts. as  
 condos. Book appraised at \$13/sh. at 9/79;  
 \$3.7M new sr. notes exch. f/\$25M 8½% due  
 2/1/80; rest redeemed. Holder seeking  
 liquidation. Insiders own 18.9%.

1N-SECURITY CAPITL: \$3.13 (SCC-ASE) SHARE DATA:  
 7412T, Net book \$ 6.13; Deprec. \$0.10; Loss  
 res. \$1.05; Taxloss \$2.04; ASSETS: \$101.1M,  
 22% nonearn + 0% lowearn. 21% foreclosed.  
 FINANCE: \$47.7M debt is 1.1X \$45.4M equity.  
 Paid banks w/proceeds from sale of mtg.  
 participation. Assets 28% home mtgs.,  
 29% comcl. mtgs., 19% medical.

| EPS:  | Dec. | Mar. | June | Sept. | Year |
|-------|------|------|------|-------|------|
| FY'79 | d1¢  | 6¢   | 14¢  | 12¢   | 31¢  |
| FY'80 | 7¢   |      |      |       |      |

b-Incl. 11¢ taxloss & 28¢ pretax sale gain.  
Comment: Buy; Security Capital Corp. formed  
 as holding co. for Security Mtg. assets. Smith  
 Barney RE owns 12.45%. Agreed to buy Texas S&L  
 f/\$20M cash late '80. Bonds: Fairly priced.  
 (Ranked No. 1 1/26/79 at \$3.50)

2N-SO ATLANTIC FIN: \$2.25 (SAT-NYSE) SHARE DATA:  
 2706T, Net book \$ 3.62; Deprec. \$0.27; Loss  
 res. \$4.84; Taxloss \$8.73; ASSETS: \$98.5M,  
 75% nonearn + 14% lowearn. 89% foreclosed.  
 FINANCE: \$74.1M debt is 10.4X \$7.1M equity.  
 Talking w/banks to revise loan agreement.  
 Assets 53% apts/condos, 40% land; 90% Fla.  
EPS: Jan. Apr. July Oct. Year  
 FY'79 d35¢ d37¢ 1.05b d11¢ 22¢  
 FY'80 5¢

b-\$2.60 swap gain & 22¢ sale gain '79.  
Comment: Improving spec. on condo sales or  
 acquisitions. Bonds: Spec. yield.

3N-SOUTHMARK PROP: \$1.63 (SM-NYSE) SHARE DATA:  
 9814T, Net book \$ 2.15; Deprec. \$0.57; Loss  
 res. \$2.14; Taxloss \$13.91; ASSETS: \$120.5M,  
 21% nonearn + 0% lowearn. 16% foreclosed.  
 FINANCE: \$91.4M debt is 6.8X \$13.5M equity.  
 \$74M bank debt accrued @ 2% to 9/82.  
 Assets: 58% invest. props., 26% mtgs.; Most  
 Ga. & Tex. Dilution: 10,528T sh. reserved  
 for Ser. B wts. exer. @ \$2 to 3/83; New 3-7%  
 debts. usable at par to exercise wts.

| EPS:  | Sept. | Dec. | Mar. | June | Year  |
|-------|-------|------|------|------|-------|
| FY'79 | 1.77a | d20¢ | d 0¢ | NA   | 2.00a |
| FY'80 | 1¢    | 8¢   |      |      |       |

a-After \$2.38 swap gains & other credits  
 '79; 8¢ '80. Qtr. figures do not add & all  
 apts. on primary sh. which vary widely with  
 market price. Comment: Takeover spec.; Syntek  
 Corp., Dallas, owns shs. & wts. exercisable  
 for 20.5% interest, may buy more w/asset ex-  
 change. Loyal Amer. Life Insur. owns 6.3%.

2N-STATE MUTUAL IN: \$3.50 (SMU-NYSE) SHARE DATA:  
 5573T, Net book \$ 9.49; Deprec. \$0.04; Loss  
 res. \$0.84; Taxloss \$3.58; ASSETS: \$35.1M,  
 61% nonearn + 0% lowearn. 27% foreclosed.  
 FINANCE: \$7.5M debt is .3X \$26.5M equity.  
 Repaid banks, \$7.5M subor. left. Assets 31%  
 apts., 26% land, 25% ill.

| EPS:  | June | Sept. | Dec. | Mar. | Year  |
|-------|------|-------|------|------|-------|
| FY'79 | 6¢   | 23¢   | 10¢  | 69¢  | 1.08b |
| FY'80 | 19¢  | 35¢   | 3¢   |      |       |

a-Taxloss 26¢, sales 18¢, 10¢ prepay fee.  
 b-Taxloss 32¢; sales 39¢; inter. forgive 41¢.  
Comment: Merged w/Greenville Corp. (controlled  
 by Belzberg Group) 2/1/80, obtained \$15.4M  
 Greenville assets in exchange for 2.79M  
 State shs., (49.9%). Bonds: Hold.

1N-TIERCO: \$3.50 (TIERS-OTC) SHARE DATA:  
 2355T, Net book \$ 9.74; Deprec. \$0.54; Loss  
 res. \$0.00; Taxloss \$3.95; ASSETS: \$34.8M,  
 25% nonearn + 15% lowearn. 17% foreclosed.  
 FINANCE: \$12.1M debt is .5X \$22.9M equity.  
 \$8.5M superior notes @ 10%; Lender has option  
 to buy 150T sh. 1/83 thru 12/31/87 @ up to \$6/  
 sh. Assets hvy Okla., Tex. & Alaska. Quasi-  
 reorg. 1/80 adds \$2/sh. to book. Earnings: Dec.  
 FY \$1.65 incl. \$1.50 debt cancel, 18¢ insur.



gains, 6¢ sale gain & 41¢ loss res. credit.  
Comment: Spec. at 64¢ below book. NYC investor J. Upham holds 10%. 10/79 acq'd Viking Inc., Alaska land owner w/\$7.7M in notes, for 1.16M shs (48%). May buy Pa. book publisher for \$5M.  
 (Ranked No. 1 10/26/79 at \$3.75)

2N-TRECO INC: \$1.00 (TREC-OTC) SHARE DATA:

2367T, Net book \$ 1.74; Deprec. \$1.98; Loss res. \$4.44; Taxloss \$24.46; ASSETS: \$86.4M, 6% nonearn + 81% lowearn. 19% foreclosed. FINANCE: \$69.0M debt is 16.7X \$4.1M equity. \$59M 6-yr. bank credit at 1% + partial asset pledge. Earnings: Sep. Q 11¢ incl. 5¢ tax loss gain. Comment: Improving spec. on restructuring & expanding rltly mgmt. Bonds: Inter. current on all bonds. Old 8½s & new pf'd. now convertible at \$1.62/sh. or 5.39M poss. shs. Westchase Rlty., Neth. Antilles co., owns 8½s convt. to 27.6% interest; Morgens/Waterfall to 5.6%; Stanford Phelps to 27.4%; Loyal Amer. Life Insur. to 24.7%. (FY Mar.)

2N-TRI-SOUTH MTG: \$2.00 (TSI-NYSE) SHARE DATA:

2918T, Net book \$ 6.00; Deprec. \$0.56; Loss res. \$5.79; Taxloss \$5.83; ASSETS: \$68.0M, 46% nonearn + 17% lowearn. 44% foreclosed. FINANCE: \$34.7M debt is 2X \$17.5M equity. Assets 39% mtgs., 17% invest. props.; 36% GA, EPS:

|      | Mar. | June  | Sept. | Dec. | Year    |
|------|------|-------|-------|------|---------|
| 1978 | d23c | d 5cb | 1.34b | 30cb | \$1.73b |
| 1979 | 23ca | 1.90a | 27ca  | 30ca | 2.54a   |

 a-\$1.89 taxloss benefits & restructure gains. b-\$1.48 restructure gains. Comment: Buy/hold. Meeting liquidity needs, paid banks, paying \$11.4M debts. w/bank loan. Large potential dilution. Looking for way to use \$12M taxloss expiring 1980. Bonds: 10% sr. notes due '88 convert @ \$2½ into 4.01M sh. Drexel Burnham owns convts. to 22.8% common interest.

4N-UMET TRUST: \$2.50 (UAT-NYSE) SHARE DATA:

2109T, Net book \$ 1.58; Deprec. \$0.93; Loss res. \$3.78; Taxloss \$9.96; ASSETS: \$49.3M, 8% nonearn + 54% lowearn. 58% foreclosed. FINANCE: \$43.8M debt is 13.2X \$3.3M equity. \$29M bank debt to 12/83, pay 1%, accrue 9%. Assets 36% shop. ctrs., 47% Southeast. EPS:

|       | Feb.  | May   | Aug.  | Nov.  | Year  |
|-------|-------|-------|-------|-------|-------|
| FY'79 | 2.79b | d30cb | d40cb | 1.99b | 4.08b |
| FY'80 | d19ca |       |       |       |       |

 a-Incl. 1¢ debt repur. gain. b-Incl. \$5.02 inter. forgive & swaps & taxloss credit. Comment: Spec. on Perpetual Storage control.

2 -UNITED RLTY TR: \$8.50 (URT-ASE) SHARE DATA:

3610T, Net book \$17.62; Deprec. \$0.07; Loss res. \$0.85; Taxloss \$0.00; ASSETS: \$71.1M, 34% nonearn + 4% lowearn. 29% foreclosed. FINANCE: \$4.5M debt is .1X \$63.6M equity. Assets 17% GNMA's (pledged), 48% other mtgs. EPS:

|      | Feb. | May | Aug. | Nov. | Year |
|------|------|-----|------|------|------|
| 1979 | 20   | 21  | 24   | 25   | 90c  |
| 1980 | 26a  |     |      |      |      |

 a-4¢ litigation expense recovery. Div.: \$1.04/ann. rate. Comment: Hold for problem loan solution; Chrnn. Weinberg owns 16.5%.

2N-US REALTY INV #: \$6.50 (UTY-NYSE) SHARE DATA:

3431T, Net book \$ 4.02 + Deprec. \$10.53; Loss res. \$1.71; Taxloss \$1.52; ASSETS: \$81.1M, 17% nonearn + 3% lowearn. 0% foreclosed. FINANCE: \$63.8M debt is 4.6X \$13.8M equity. \$10.1M bank at 125% of prime. Assets 31% mtgs., 59% owned props, 10% jt. vents. EPS/CFS:

|      | Mar.   | June   | Sept. | Dec.    | Year    |
|------|--------|--------|-------|---------|---------|
| 1978 | d6/7c  | d5/8c  | d6/7c | d11/13c | d26/39c |
| 1979 | 17/33a | d1/15c | 3/19  | 13/     | 32/ a   |

 a-22¢ asset sale gain, 6¢ taxloss. Comment: Hold for LT recovery; restructuring bank debt & will let pay div.; acquisition of MDC, Colo. RE dev. co., off; insiders buying. Converts: Ok for risk income.

2 -VIRGINIA REIT #: \$15.25 (VARES-OTC) SHARE DATA:

1017T, Net book \$ 8.67 + Deprec. \$5.89; Loss res. \$1.18; Taxloss \$0.00; ASSETS: \$32.5M, 13% nonearn + 0% lowearn. 13% foreclosed. FINANCE: \$23.8M debt is 2.7X \$8.8M equity. Assets: 95% props. Debt: 99% mtgs. on props. EPS/CFS:

|      | Mar.   | June   | Sept.  | Dec.  | Year   |
|------|--------|--------|--------|-------|--------|
| 1978 | d5/16c | d9/d4c | 10/19c | 9/23  | 15/54a |
| 1979 | 11/25c | 10/18c | 10/19c | 16/30 | 47/92c |

 a-After 23¢ mtg. prepayment penalty. Div: 80¢/yr. Est. '79 40-45% return of capital. Comment: Hold for LT; Book evaluated @ \$19/sh. Hired Blyth Eastman to seek merger, acquisition or liquidation.

2N-WACHOVIA RLTY: \$4.13 (WRI-NYSE) SHARE DATA:

3335T, Net book \$ 9.51; Deprec. \$0.16; Loss res. \$3.02; Taxloss \$5.25; ASSETS: \$63.1M, 44% nonearn + 0% lowearn. 36% foreclosed. FINANCE: \$20.6M debt is .6X \$31.7M equity. \$21M credit to 7/82 at prime plus conting. int. EPS:

|       | Nov. | Feb. | May  | Aug. | Year |
|-------|------|------|------|------|------|
| FY'79 | d60c | d 8c | d10c | d15c | d93c |
| FY'80 | 46ca | 17ca |      |      |      |

 a-71¢ sale gain & 17¢ int. recovery. Comment: Recovery spec.; considering merger, acqs.; sold best prop.; profitable in Feb. Q before spec. gains, but possible \$3M contingent interest for banks.

1N-WALTER REALTY: \$5.00 (WALJS-OTC) SHARE DATA:

1035T, Net book \$ 8.25; Deprec. \$0.65; Loss res. \$1.62; Taxloss \$9.48; ASSETS: \$15.8M, 29% nonearn + 0% lowearn. 50% foreclosed. FINANCE: \$6.1M debt is .7X \$8.2M equity. \$1M bank lines to 10/79 at 117% prime; \$9M Eurodebt to 10/81. Assets 77% prop.; 25% shop. ctr., 23% land; 22% mob. home, 34% FL, 25% KY. EPS:

|       | Oct  | Jan.   | Apr. | Jul. | Year  |
|-------|------|--------|------|------|-------|
| FY'79 | 27ab | d7cb   | d5cb | 31ca | 0.46a |
| FY'80 | ½cb  | 31½cab |      |      |       |

 a-Sales: 74¢ '79; 31¢ '80. b-Incl. 21¢/sh. taxloss '79; 15¢ '80. Comment: Buy/hold for merger/acq. potential. Jim Walter Corp. holds 9.7%; Shldrs. approved reorg. as Md. corp. (Ranked No. 1 12/7/79 at \$5.13)

2N-WASHINGTON CP: \$1.00 (CMU-PHSE) SHARE DATA:

1675T, Net book d\$ 0.39; Deprec. \$0.00; Loss res. \$8.40; Taxloss \$12.54; ASSETS: \$32.3M, 64% nonearn + 0% lowearn. 46% foreclosed. FINANCE: \$30.0M debt over d\$0.7M equity.



New bank credit eff. 9/79: \$13M net after swaps @ 1% thru '81 (7% after) + half net income; Earns 17¢ for each \$1 repaid w/out deadlines; Ends issuing pfd. to banks (609T sh. out). Assets: mainly land (45%) & mtgs. (60%); now let build on two prime suburban Wash. D.C. residential sites.

| EPS: | Mar. | June   | Sept. | Dec. | Year  |
|------|------|--------|-------|------|-------|
| 1978 | 49ca | d55ca  | d1cb  | 19cb | 10cab |
| 1979 | 11cb | nil-ab | d1cab | 48ca | 58cab |

a-Swap gains & tax benefits: \$1.06 in '78; 56¢ in '79. b-Sale gains: 45¢ '78; 10¢ '79. Comment: Spec. buy on merger and/or land buildout potential; New credit deal protects against higher rates. John G. Taylor buys 8.8%. Was Capital Mtg.

| EPS:  | Sept. | Dec. | Mar. | June | Year  |
|-------|-------|------|------|------|-------|
| FY'79 | 42ca  | 40ca | 51ca | 60ca | 1.93a |
| FY'80 | 45ca  | 42ca |      |      |       |

a-Sale gains: 44¢ '79; 6¢ '80. b-Interest recovery: 22¢ '79; Div: \$1.40/yr. Comment: Hold/trade; 1% prime=3¢/sh. qtr. Seek joint venture to up property ownership.

- 2 -WASH RE (WRIT)#: \$29.88 (WRE-ASE) SHARE DATA: 1526T, Net book \$15.53 + Deprec. \$6.37; Loss res. \$0.00; Taxloss \$0.00; ASSETS: \$41.1M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$18.5M debt is .8X \$23.7M equity. All debt is mtgs. Assets all props., 98% D.C. area; 35% hi-rises, 29% shop. ctrs., 36% off. EPS/CFS: Mar. June Sept. Dec. Year  
1978 34/38c 47/52c 38/43c 52/59 1.70/1.93  
1979 44/53c 53/59c 4.64/4.72a 56/66 6.16/6.50a  
a-Incl. \$4.15 swap gains. Div: \$2.32/yr. Comment: Buy/hold for income, quality assets, condo potential in apts.
- 3 -WELLS FARGO M&E: \$11.75 (WFM-NYSE) SHARE DATA: 3946T, Net book \$17.86; Deprec. \$1.24; Loss res. \$1.28; Taxloss \$0.00; ASSETS: \$213.3M, 3% nonearn + 12% lowearn. 3% foreclosed. FINANCE: \$135.7M debt is 1.9X \$70.5M equity. \$144M open bank lines; \$115M comcl. paper rated A-2. Assets 66% mtgs., 28% inves. prop.

- 2 -WESTERN MTG: \$2.50 (WMTGS-BOS) SHARE DATA: 1003T, Net book \$ 8.22; Deprec. \$0.50; Loss res. \$0.74; Taxloss \$0.15; ASSETS: \$18.2M, 18% nonearn + 3% lowearn. 0% foreclosed. FINANCE: \$9.6M debt is 1.2X \$8.2M equity. Assets 55% props., 45% mtgs. Earnings: Nov. Q 6¢. Div: 20¢/yr. Comment: Insiders buying, recovery spec.
- 2N-WESTPORT COMPNY: \$3.25 (WSPTS-OTC) SHARE DATA: 2388T, Net book \$ 6.12; Deprec. \$0.29; Loss res. \$4.75; Taxloss \$5.57; ASSETS: \$51.6M, 40% nonearn + 0% lowearn. 33% foreclosed. FINANCE: \$22.7M debt is 1.6X \$14.6M equity. Debt \$20M bank @ 5% to 8/1/80. Assets 33% held for sale, 32% invest.; 25% land, 30% office. Earnings: Jan. Q nil after 13¢ swap gains. Comment: Spec. buy on Delttec Panamer., S.A., 9.7% interest.

- 2 -WISCONSIN REIT: \$4.38 (WREIS-OTC) SHARE DATA: 1514T, Net book \$ 5.57; Deprec. \$3.56; Loss res. \$0.10; Taxloss \$1.99; ASSETS: \$33.2M, 0% nonearn + 0% lowearn. 0% foreclosed. FINANCE: \$22.7M debt is 2.7X \$8.4M equity. \$1.3M short term, \$21M mtgs. Assets 60% props., 21% constr. inventory, 18% mtgs. Developing land through Orlando homebuilder. Earnings: Dec. Q 69¢ incl. 32¢ tax credit. Div: Paid 4¢ special 12/20/79. Comment: Spec. on Aylward group buys 6.7% & seeks control; Wisc. & Milwaukee Assocs. own 8.4%. Making acqs.

REIT TAX STATUS: Most of the listed trusts which pay dividends qualify as real estate investment trusts and are exempt from Federal income taxes to the extent they distribute 95% (90% before 1980) of income to shareholders. Nonqualified trusts and nonqualified corporations have no dividend distribution requirement and can use taxloss carryforwards to shelter future profits and rebuild capital. Corporations are able to engage in real estate operating and development activities not permitted to trusts.

Technical notes: Net cash flow per share (CFS) is computed by Audit as: Net income plus depreciation and partnership distributions in excess of earnings less mortgage principal payments and remodeling reserves. Intangibles: Depreciation is added to book value by Audit to approximate market value of properties for cash flow trusts (See RTR, 3/23/79); Loss reserves will normally be spent unless trust recaptures via accelerated dispositions, mainly via asset swaps; Taxloss carryforwards are generally worth 10% to 25% of amounts shown but value varies widely depending upon timing, aggressiveness of management, etc.

#### MAJOR BUYING GROUPS IN REALTY TRUST SHARES

These groups or organizations report holding over 5% of shares of two or more realty trusts in latest 13-D filings with S.E.C. Some sales may not be reported. See individual reviews:

American Financial Corp., financial holding company: Compass Inv., First Mtg., Kenilworth Realty; North American Mortgage.

Delttec Panamerica, S.A., Panama holding company: First Newport; GMR Props.; M.I. Wash.; Westport Co.; Wisconsin.

Drexel Burnham Lambert, U.S. securities broker: CleveTrust; First Denver; First Memphis; First Newport; Tri-South Mtg. (bonds).

Eastover/Leland Speed/Brent Baird, a former REIT: Amer. Rlty.; Citizens Growth; Eastover Corp.; First Carolina Inv.; ICM Realty; Kentucky Prop.; Natl. Mtg.; Parkway Co.

Loyal American Life Insur., insurance co.: Riviere Rlty.; Southmark.

Edwin Morgens/Bruce Waterfall, NYC advisers to foreign investors: CMT Invest.; First Memphis; Great Amer. M&I; TRECO, Inc.

Unicorp Finc'l Corp., Toronto holding co.: First Union; GREIT; REIT of Am.; San Fran. RE. Morse Van Horn/Lincoln Mtg., a former REIT: Builders Inv. Gr.; Lincoln Mtg.

#### TRUSTS ESTIMATING CURRENT MARKET VALUE OF ASSETS

These trusts or companies provide either management or external estimates of current market value of their assets (see reviews): Denver REIA, Growth Realty, Pacific Realty, Property Capital, B.F. Saul REIT, Virginia REIT, and University REIT (no review).